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Automotive News

July 28, 1986

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Big Three eye spinoff in finance

By Michelle Krebs
FINANCIAL EDITOR

For the past year, there has been much talk about the Big Three automakers spinning off their finance subsidiaries into separate companies with their own stock.

It may be just that — talk.

So far, there's been no action, though all three companies have considered the possibility.

Analysts say Ford is the most likely candidate.

Kenneth Merrill, Ford executive director of business planning and trust management, said Ford is interested in the possibility.

"We have done a number of studies and we have had a number of discussions," Merrill said, "but we have not decided to do it or not. Nothing is imminent."

Merrill said if Ford decides to do so, it will spin off only perhaps 10 percent of Ford Motor Credit Co. It may also wait until its financial services are more diversified.

Merrill noted that Ford has been looking at ways to draw visibility to its financial services and aerospace operations and to boost Ford Motor stock at the same time.

General Motors officials recently told an auto analysts' meeting that GM has no plans to spin off General Motors Acceptance Corp. Some analysts don't believe them; they think GM will do it in conjunction with a major financial services acquisition.

Ronald Glantz, a Montgomery Securities analyst, said GM may well be preparing for such an action with its low-interest-rate financing programs. Not only do they boost vehicle sales, he noted, they take away market share from other lenders while GMAC grows.

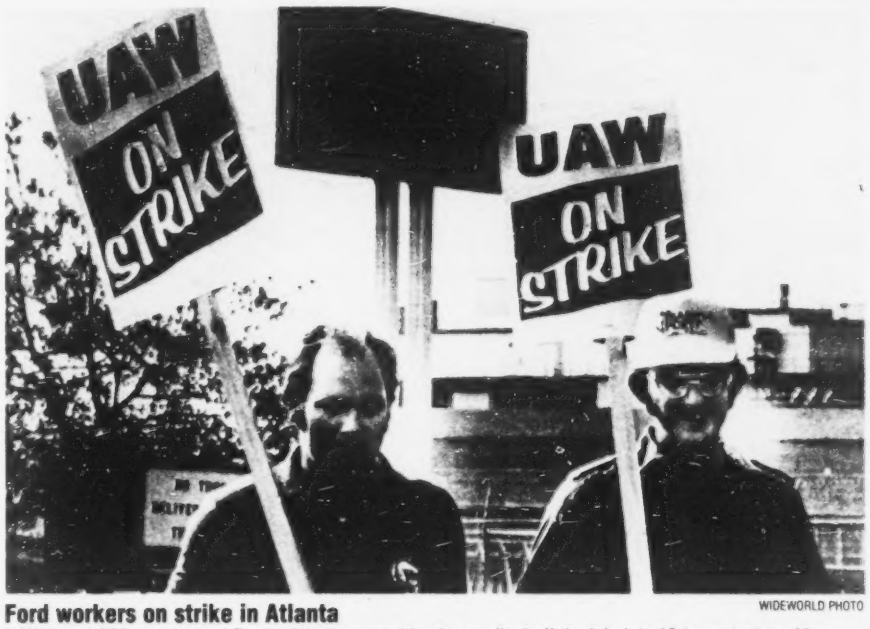
GM said the company has no plans to spin off GMAC at this time. However, in the past, company officials have said it is a possibility for the future.

For the present, GMAC just keeps growing. Last week it moved into marine financing by offering retail and inventory financing and capital loan services to Sea Ray dealers throughout the world and to the Florida Boston Whaler dealers.

Analysts admit Chrysler Financial Corp. is the least likely candidate for a spinoff. Robert S. Miller, Chrysler Corp. vice chairman and Chrysler Financial Corp. chairman, said Chrysler Financial is years away from any such action because it is in the midst of diversification.

The theory is that spinning off a finance subsidiary would draw more attention from Wall Street to auto stocks. The makers complain that Wall Street undervalues their stock by viewing it as automotive stock and not looking at the other

see SPIN OFF, page 22



WIDEWORLD PHOTO

Ford workers on strike in Atlanta
UAW Local 882 members at Ford's Atlanta assembly plant walked off the job July 19 to protest working conditions. The plant is one of two producing Ford Motor Co.'s popular Taurus and Sable models, which are already in slim supply. **More on the work stoppage, Page 47.**

Vast change, stiff competition forecast in Congress keynotes

Industry warnings were sounded last night at the opening session of the 11th annual Automotive News World Congress.

In remarks prepared for delivery before the international audience, keynote speaker Roger B. Smith, General Motors chairman, said "the super-heated competition of the next decade will change the very structure of the industry."

Edward L. Hennessy Jr., chairman of Allied-Signal Corp., declared in his prepared remarks that, with increasing globalization of the automotive industry, suppliers face their most intense competition in this century.

The 1986 World Congress is being held July 27-30 at the Hyatt Regency Hotel, Dearborn, Mich.

Smith said that the North American auto industry is experiencing a "technology backlash" in the wake of the enormous effort manufacturers have made to modernize a 50-year-old industrial base with state-of-the-art technology.

"Technology alone will not get the job done," Smith said. "Human resources will be equally important. The key is to integrate them effectively."

As a result of recent experiences at GM, Smith said, there will be at least three basic changes in the development of future technology.

He said technology will be introduced "in concert with" a fully developed human resource system; it must be coordinated and integrated effectively into company systems; and manufacturing must change its focus from "improving controls to improvements in

see CONGRESS, page 47

AUTOMOTIVE NEWS/JOE WILSKERS

Iacocca details Chrysler's second-quarter earnings
With great fanfare, Chrysler Corp. Chairman Lee Iacocca last week reported Chrysler's second-quarter earnings of $488.2 million. However, Ford Motor Co. was the winner in the Big Three profits race with its three-month earnings of $1.078 billion — the first time its quarterly earnings topped $1 billion. **More on industry earnings, Page 50.**

GM turning to Volvo on heavy trucks

By Joseph Bohn
TRUCK EDITOR

General Motors has found the interested heavy-truck venture partner it has been seeking, and discussions between GM and Volvo AB of Sweden have entered a serious stage, according to informed European sources.

Meanwhile, GM also plans to assign management of its medium-duty import trucks to Isuzu of America, beginning in September.

The moves reflect GM's desire to reduce its stake in the medium/heavy truck market while protecting its dealer body.

The attitude within Volvo, according to overseas sources, is that a deal will be made.

They anticipate the venture will begin as a cooperative marketing arrangement, allowing the companies to study further combinations.

The pattern would be similar to that followed by Detroit Diesel Allison and Deere.

Volvo has been a real comer in Europe and in the United States, while GM's share of the heavy-duty truck market has declined.

Volvo's Class 8 sales in Western Europe were up 2 percent last year, and its market share increased to 14.5 percent. Volvo White's U.S. Class 8 market share reached 9.6 percent in the first six months of this year. In 1980, the share for Volvo and White was 7.2 percent.

GM's U.S. Class 8 market share fell from 16.9 percent in 1980 to 7.2 percent during the first half of 1986, according to MVMA.

GM has been stymied in its efforts to strengthen its European truck operations, running into political resistance from the British government when it tried to strike up deal with Leyland and running aground again with ENASA in Spain.

GM plans to assign importation of Chevy Forward and GMC Tiltmaster Isuzu Trucks to Isuzu of America. Isuzu has already notified its dealers of a pending new setup with GM.

Essentially, Chevy and GMC will still market the vehicles and maintain their dealer relationships, but Isuzu will take over such things as ordering, shipping and stocking the trucks.

Isuzu markets those vehicles through its own separate franchise.

Desta would help troubled Greece

By Andrew R. McGill
EDITOR OF AUTOMOTIVE NEWS

ATHENS, Greece — The troubled Greek economy, ravaged by the scarcity of big-spending American tourists, could bounce back in the dollar column in an unusual way — by exporting its manufactured wares, especially cars, to U.S. shores.

Most Western automakers abandoned their manufacturing operations in Greece after socialist Prime Minister Andreas Papandreou took over in 1981, fearing possible nationalization and probable declines in productivity.

"Worker productivity wasn't that good to start with," recalls one former Greek trade official. "And things could only get worse in a socialist government. So the Americans and most Europeans pulled out."

After five years, the worst fears have not ma-

see GREECE, page 34

Ford names its price for Alfa Romeo Page 2
Domestic dealer ranks trimmed by 102 Page 3
GM, Deere team up to be No. 2 in diesels Page 6

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U.S.-built Civic starts as an '86

By Kathy Boyer and Joe Wilssens
AUTOMOTIVE NEWS STAFF

MARYSVILLE, Ohio — Who would begin production of a 1986 model at the end of July? Honda of America Manufacturing Inc., that's who.

The first 1986 four-door Civic sedan model made in the United States was completed Thursday (July 24) at Honda's assembly plant here.

Ed Buker, senior manager of assembly, said that was the earliest Honda could get the line up to speed.

One may wonder why Honda didn't just introduce a 1987 model. "We follow a basic schedule, and model changeover is not scheduled to take place until September," he said.

With a track record like Honda's — a mere seven day-supply of domestic Accords on July 1 — selling the 1986 Marysville Civics should be no problem.

The Civic addition was "simple" because the car has fewer process steps than current Accord models, Buker said.

Currently, local content of the U.S.-built Civic is 50 percent, but that will increase to 60 percent when assembly of the Civic 1.5-liter engine begins at Honda's engine plant in Ohio this fall.

AUTOMOTIVE NEWS/JOE WILSSENS

Honda's Ohio workers build Civics and Accords on the same line

Local content is the only difference between the Civics built in the United States and in Japan.

Honda, which has been producing Accords in Marysville since 1982, was the first Japanese firm to build cars in the United States.

During the 1985 calendar year, the company sold 208,031 Civics in the United States.

First-half Civic sales in the U.S. stood at 114,939.

There are two production lines at the plant. At present, Line One assembles only Accords and the second line produces the Accord hatchback and the Civic sedan.

Sales projections indicate that for a while, Honda will have to continue running Accords and Civics together on the second line, the company said.

Output at the Marysville plant should soon reach 1,330 cars per day, 700 on Line One and 630 on Line Two, according to Buker.

Civic production is scheduled at about 335 units per day, depending on customer demand.

Last year, 145,337 cars were built at the Marysville plant. Honda anticipates production of 360,000 cars a year by 1988.

Domestic-car points lose 102 in 1st half; total is now 20,571

By John K. Teahen Jr.
SENIOR EDITOR

A deluge of incentive programs couldn't keep the nation's domestic dealer population on an even keel during the first six months of 1986.

The semiannual Automotive News census found 20,571 outlets handling domestic cars on July 1, a decline of 102 from the 20,673 in operation at the beginning of the year.

The domestic market was flat throughout the first half. The incentives may have staved off a more serious decline in the dealership total, but they apparently didn't bring in enough new-car buyers to hold it steady.

The first-half dip of 102 establishments was a bit less than the year-earlier drop of 115. But it made 1984 merely a fond memory: There was a gain of 54 outlets during the first half of that year.

Going back a bit farther, one might say that dealers trod the glory road this year in comparison with the horrendous days of the early-1980s recession. There were first-half losses of 556 dealerships in 1982, 325 in 1981 and 930 in 1980.

U.S. CAR OUTLETS

	Jul. 1, 1986	Jan. 1, 1986
American Motors-Renault	1,371	1,421
Chrysler Motors	4,000	4,003
Ford Motor Co.	5,482	5,517
General Motors	9,805	9,830
Volkswagen	878	877
TOTALS	21,536	21,648
Minus Intercorporate Duals	965	975
NET OUTLETS	20,571	20,673

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Four of the five companies included in the domestic census showed losses in the first half of 1986, although the dip for Chrysler Motors was hardly worth tabulating. Chrysler was down three outlets. There were downturns of 25 for General Motors, 35 for Ford Motor Co. and 50 for American-Motors-Renault.

Volkswagen was the only gainer; it was up one.

That combined loss of 112 stores

see CENSUS, page 47

Mid-July sales plunge

By Jenny L. King
DETROIT REPORTER

Domestic new-car sales plunged 18.01 percent in mid-July, snapping the four-period winning streak that began in early June.

On a daily-rate basis, July 11-20 sales were down 7.83 percent from 1985. There were eight days in the mid-July period this year compared with nine in 1985.

The daily selling rate of 22,217 also was off 6.22 percent from the July 1-10 average of 23,690.

July 11-20 sales by the major U.S. makers totaled 177,734, down 18.07 percent from 216,938 a year earlier.

On a straight numerical comparison, only Honda showed a gain; on a daily-rate basis, Chrysler also was up. General Motors was down 19.87 percent, to 96,251 from 120,124 (down 9.86 percent daily rate). Ford Motor Co. reported sales of 47,708, off 15.88 percent from 56,716 (down 5.33 percent daily rate).

Chrysler Motors was off 7.47 percent, to 27,526 from 29,749 (up 4.11 percent daily rate). American Motors had estimated sales of 1,500 passenger cars, down 59.79 percent from 3,730 a year ago (down 54.59 percent daily rate).

Honda sales of 3,705 were up 2.83 percent from 3,603 (up 15.75 percent daily rate). Nissan sales were estimated at 75 units, down from 1,200 a year ago.

GM earned 54.15 percent of the mid-month market, off from 55.37 percent a year earlier. Ford had 26.84 percent, up from 26.15 percent. Chrysler's share of 15.49 percent was up nearly two percentage points from 13.71 percent.

Honda earned 2.09 percent, up from 1.66 percent. AMC's 0.84 percent share was down from 1.72 percent. VW had 0.55 percent, down from 0.84 percent, and Nissan tumbled to an estimated 0.04 percent from 0.55 percent.

Honda, up 2.83 percent, showed the only increase among the domestic makes.

Plymouth was off 2.04 percent; Dodge, 3.16 percent; Lincoln, 12.38 percent; Pontiac, 13.93 percent; Ford, 14.50 percent; AMC, 16.67 percent; Chrysler, 17.02 percent; Oldsmobile, 18.81 percent; Chevrolet, 18.86 percent; Mercury, 20.28 percent; Buick, 21.23 percent; Cadillac, 39.51 percent; Volkswagen, 45.71 percent; and Renault, 63.56 percent.

DOMESTIC SALES

	July 11-20, 1986	July 11-20, 1985
Renault		
Alliance-Encore	1,250†	3,430†
AMC	250†	300†
AMERICAN MOTORS	1,500†	3,730†
Chrysler	8,222	9,908
Plymouth	7,882	8,046
Dodge	11,422	11,795
CHRYSLER CORP.	27,526	29,749
Ford	31,617	36,981
Mercury	12,121	15,204
Lincoln	3,970	4,531
FORD MOTOR CO.	47,708	56,716
Buick	16,448	20,882
Cadillac	4,975	8,225
Chevrolet	34,279	42,249
Oldsmobile	23,737	29,236
Pontiac	16,812	19,532
GENERAL MOTORS	96,251	120,124
VOLKSWAGEN	969	1,785
HONDA	3,705	3,603
NISSAN	75†	1,200†
U.S. INDUSTRY TOTAL	177,734	216,938

†—Estimate

Nissan, finishing its Sentra 1987 model changeover, is not reporting 10-day sales this month.

Year-to-date sales of 4,507,229 were down 4.22 percent from 4,705,781 in 1985.

Chevrolet Cavalier was the best-selling domestic nameplate July 11-20. Cavalier's 9,050 total was followed by Ford Escort/EXP, 8,665; Chevrolet Celebrity, 7,954; Oldsmobile Cutlass Ciera, 7,289; and Oldsmobile 88, 6,192.

Huge auction link dies

By Jenny L. King
DETROIT REPORTER

Anglo American Auto Auctions Inc. will not become part of Cox Communications' Manheim Auto Auctions.

Anglo American officials learned July 18 that the Cox offer to buy was thwarted when the two transactions involved failed to dovetail.

Manheim had agreed in principle to purchase 73 percent of Sandgate Corp., the holding company of which AAAA is a part, from the controlling stockholder, British Car Auction Group plc, and the remaining 27 percent from private stockholders. The price was set at $18 a share, or $27 million, when the sale process began last May.

Anglo American, headquartered in Nashville, operates 12 U.S. auto auctions. There are 17 North American outlets in the Atlanta-based Manheim chain.

The purchase was to have been completed by early August, according to AAAA President Michael J. Richardson. Various governmental agencies delayed the private-stock tender offer, he said.

He said that Cox Communications insisted the two purchases be intertwined, and when it refused to unscramble them, the $18 a share was no longer deemed a fair price. The resulting Manheim chain of auctions would have been the largest of its kind in the world.

"We had a very good third quarter," Richardson said of Anglo American. "In fact, it was so good, it drove the stock price up to 19½." At that point, he said, he began to sense the deal might not go through.

Manheim President Warren Young summed up his company's reaction to the termination of negotiations in two words: "very disappointed."

"We developed a very high regard for Anglo American . . . a merger would have been beneficial to the entire auto auction industry," Young said late last week.

In spite of a good interim working relationship with Manheim, Richardson said he and Anglo American staff people have "an enormous feeling of relief."

British Car Auctions is tendering the remaining 27 percent of Sandgate at $18 a share, and taking it private, according to a statement.

Richardson said he plans to continue to pursue a new Anglo site in the Los Angeles area.

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Nissan increasing automation at U.S. plant

By Scott Miner
DETROIT REPORTER

Nissan Motor Manufacturing Corp. U.S.A. plans to increase the number of robots at its Smyrna, Tenn., plant by nearly 50 percent as it brings production up to capacity. The plant assembles pickups and Sentra cars.

Currently the plant has 239 robots and is producing 15,000 trucks a month. When it resumes Sentra production Aug. 12, it will have 313 robots. When the truck model changeover is finished in December, the plant will have 351 robots and will be running at a maximum capacity of 240,000 vehicles a year.

"We're upgrading our operations as we go along," said President Marvin Runyon. "We've been tooling for a little over five years for most of the operations we have in the plant."

Runyon said the plant is "very far advanced as far as technology is concerned. I don't think we are light years ahead of anybody. Most of it is bought off the shelf."

He added, "People are our most important resource, not necessarily technology. Technology is nice. If you need it, you should have it. But people are what make the technology work."

Nissan began building Sentras at Smyrna early in 1985. "The tooling we put in at that time was not the most automated," Runyon said. "It's impossible to get the right kind of tooling on short notice."

Runyon said that when the new equipment is installed, it will be possible to make a model change in a weekend. By comparison, the Sentra assembly line has been down since March 31 to prepare for the addition of the four-door sedan.

Most of the robots in the plant are from Japan and were produced under a license agreement with the United States. Most will be in the body shop, with others in welding operations.

". . . The technology originated in the United States," Runyon said. "Americans are excellent innovators. Japanese are excellent implementers. That's the story of robots.

"Robots were started and conceived in the United States and they just sort of sat there," he said. "The Japanese looked at them and said, 'We like that,' and they put them in."

SPIN OFF

FROM PAGE 1

pieces of the auto companies.

The automakers recognize the importance of their highly profitable financial subsidiaries, which are positioned for enormous growth. However, auto executives think Wall Street fails to appreciate their importance since the finance companies' earnings are buried in the auto companies' earnings.

The thinking goes that if the financial subsidiary is spun off — at least in part — and a special class of stock is created, much as GM did with the purchase of Hughes Aircraft Co. and Electronic Data Systems Corp., then Wall Street would be forced to take notice.

Some analysts think talk of possible action is just to gain the extra valuation in the auto companies' stock.

"They won't do it," said Wendy Beale, of Smith Barney, Harris Upham & Co. "Their stock got the credit for the finance subsidiaries with all the talk of spinning them off so why bother doing it?"

Great debate rages among Wall Street analysts about whether the auto companies will or won't set up the finance subsidiaries as separate companies.

"They absolutely will do it," asserted Gary Glaser, First Boston Corp. "Ford will be the first. I expect it to happen in 1986 and it could happen at any moment."

Scott Merlis, of Morgan Stanley, said all have potential in the next two to three years, but it's not likely in 1986.

"You have to wonder if it's going to happen since it hasn't happened by now," said David Healy, of Drexel Burnham Lambert. There also is great debate as to whether it's a good idea or a bad one.

"It doesn't make sense," insisted Jean-Claude Gruet, of Salomon Brothers Inc.

Gruet contends it makes no sense to spin off the "crown jewel." The auto companies risk losing more on the auto side the value that can be added through the new stock. Once the finance company is spun off, the parent company loses its earnings, he noted.

Ann Knight, PaineWebber Inc., said the theory makes some sense. Often, she said, a conglomerate's stock is not as highly valued as its individual parts.

However, she doubts the auto companies are in a hurry to spin off their finance companies. "The practical decision of the undertaking is enormous," she said.

The prevailing consensus is that if the auto companies were to spin off the finance subsidiaries, they would only spin off part of them, probably 20 percent.

That would mean that the rest — 80 percent — of a finance company's earnings would still be counted in the auto company's total earnings. That's particularly important since the automotive industry has matured and automakers will be looking to their non-automotive businesses for future growth.

"I think that's an idea whose time will come," said Chrysler's Miller. However, he said, Chrysler Financial will stay — in total — a part of Chrysler Corp. at least until Chrysler Financial's diversification plan is complete.

"We're somewhere between 25 to 30 percent diversified," Miller said. "Because the business is still so dominated by auto loans, it does not yet have the credibility in the capital markets to be a truly independent business in the way that Hughes Aircraft is independent from GM."

Miller said that if Chrysler Financial's diversification succeeds, Chrysler Corp. would consider a separate class of stock or an entire spinoff.

Infant among giants: AMC Financial grows

By Michelle Krebs
FINANCIAL EDITOR

American Motors Financial Corp. is an infant among the domestic automakers' finance subsidiaries.

The company is only four years old, while its counterparts range from 21 to 67 years old.

AMC established its financial subsidiary in February 1982 when competing manufacturers' finance companies refused to provide either wholesale or retail financing on vehicles other than those produced by their parent companies.

AM Financial develops its own financing programs, but it has an agreement with Chrysler Financial Corp. to provide services through Chrysler's nationwide branch network.

Despite AM Financial's tender age, the company is growing and its parents have grandiose plans for it.

Geoffrey Banks, AM Financial president, said, "1985 was another crackerjack year. Everything met our projections and the numbers that didn't were better than projections."

The subsidiary closed out the year with receivables outstanding at $600 million, up from $460 million in 1984. Earnings were $6.9 million, up from $4.7 million.

The number of dealers using AM Financial rose to 253 from 227. AM Financial financed 22 percent of AMC and Renault vehicles sold, compared with 19 percent in 1984.

"Every dealer knows of our services," Banks said, "and we've dealt with more than half of the dealers in one way or another. Now, we need to build up the frequency of use.

"We're looking for relationships rather than just placement of dollars," he added.

For 1986, Banks predicts some growth but at a slower rate than in previous years.

"In 1986, we'll continue to increase our penetration," he said. "We will improve our dealer count. But when the new vehicles come on stream, we'll see a kick-up in terms of growth again."

In 1987, AMC will introduce three new families of products which will increase the level of dealer inventory to be financed, Banks said.

Beyond that, Banks would like AM Financial to be financing 50 percent of AMC and Renault dealers in five years.

"It's an ambitious target, but that's our guiding light, where we would like to be," he said.

Banks said the game plan is to concentrate on the basic services AM Financial now offers. The subsidiary, unlike those of the Big Three, is not looking for acquisitions or diversification.

FINANCIAL SUMMARIES

ALL FIGURES IN MILLIONS

American Motors Financial Corporation

All figures in millions	85	84	83	82	81
NET EARNINGS	6.91	4.76	2.03	.65	.39
FINANCE RECEIVABLES OUTSTANDING	666.8	517.3	336.8	122	32.6
TOTAL ASSETS	608	463	306	115	33

GMAC General Motors Acceptance Corporation

All figures in millions	85	84	83	82	81
NET EARNINGS	1,021	784.8	1,002	688	365.2
FINANCE RECEIVABLES OUTSTANDING	66,025.7	50,051.5	48,124.4	41,771.1	39,692.5
TOTAL ASSETS	75,448.2	54,443.1	51,390	44,381.3	41,771

Ford Motor Credit Company

All figures in millions	85	84	83	82	81
NET EARNINGS	441	310	292	229	186
FINANCE RECEIVABLES OUTSTANDING	35,200	26,600	21,000	17,600	19,500
TOTAL ASSETS	31,300	24,000	19,100	16,200	17,700

CHRYSLER FINANCIAL

All figures in millions	85	84	83	82	81
NET EARNINGS	154.3	83.1	47.4	52.2	62.2
FINANCE RECEIVABLES OUTSTANDING	17,678.1	7,586.9	3,733.4	3,421.8	3,635.3
TOTAL ASSETS	15,893.4	7,148.6	4,282.2	3,751.3	3,827.4

REGISTRATIONS

Registrations at '86 peak

By Jenny L. King
DETROIT REPORTER

New-car registrations in the U.S. reached their highest total of the 1986 calendar year in May. But the figure was only the fifth best for a month that traditionally has strong domestic and import sales.

May registrations of 917,579 were up less than one percent from 911,932 a year earlier and were up 1.25 percent from 906,271 in April, according to figures from R.L. Polk & Co.

Imports rose to 28.32 percent of the market, up 5.18 percentage points from 23.14 percent last year.

Domestic registrations for the month numbered 657,742, up 2.75 percent from 640,112 in April, but down 6.16 percent from 700,907 in May 1985. Incentives offered by the domestic makers had yet to take hold of the market in May.

As has been the pattern this year, the U.S. makers lost ground in May to the imports, which posted record registrations of 259,337, up 23.13 percent from 211,025 a year ago.

The imports' 5.18 percentage-point gain resulted in market-share losses for the domestic makers. General Motors was down 2.91 percentage points; Ford Motor Co. was down 1.39 percentage points; Chrysler Motors was down 0.26 percentage points; and American Motors, was down 0.62 percentage points.

Imports earned the largest portion of May's registrations, followed by domestic intermediates at 27.83 percent, compacts at 16.36 percent, subcompacts at 10.89 percent, standards at 9.38 percent and luxury models at 7.22 percent.

Without imports, the May market included: intermediates, 38.83 percent; compacts, 22.82 percent; subcompacts, 15.20 percent; standards, 13.08 percent; and luxuries, 10.07 percent.

NEW-CAR MARKET SHARES IN U.S.

	MAY					FIVE MONTHS				
	Regis., May, 1986	Percent Share of Market	Regis., May, 1985	Percent Share of Market	Pct. Pt. Change '86 vs. '85	Regis., 5 Mos., 1986	Percent Share of Market	Regis., 5 Mos., 1985	Percent Share of Market	Pct. Pt. Change '86 vs. '85
Chevrolet	134,612	14.67	142,109	15.58	−0.91	642,715	14.59	642,169	14.81	−0.22
Ford	111,607	12.16	122,346	13.42	−1.26	545,774	12.39	585,474	13.50	−1.11
Oldsmobile	95,129	10.37	96,881	10.62	−0.25	431,974	9.80	431,346	9.95	−0.15
Pontiac	74,286	8.09	72,681	7.97	+0.12	343,985	7.81	310,666	7.16	+0.65
Buick	63,479	6.92	78,249	8.85	−1.66	298,301	6.77	355,438	8.20	−1.43
Mercury	41,078	4.48	43,900	4.81	−0.33	193,507	4.39	219,554	5.07	−0.68
Dodge	36,310	3.96	37,951	4.16	−0.20	164,536	3.74	194,494	4.48	−0.74
Plymouth	30,568	3.33	27,740	3.04	+0.29	135,268	3.07	156,659	3.61	−0.54
Chrysler	29,523	3.22	32,524	3.57	−0.35	140,266	3.18	145,930	3.37	−0.19
Cadillac	23,457	2.56	25,220	2.77	−0.21	118,206	2.68	116,494	2.69	−0.01
Lincoln	12,965	1.41	11,020	1.21	+0.20	62,666	1.42	66,392	1.53	−0.11
AMC	4,723	0.51	10,264	1.13	−0.62	30,125	0.68	57,586	1.33	−0.65
GENERAL MOTORS	390,963	42.61	415,140	45.52	−2.91	1,835,181	41.65	1,856,113	42.81	−1.16
FORD MOTOR CO.	165,254	18.05	177,266	19.44	−1.39	801,947	18.20	871,420	20.10	−1.90
CHRYSLER MOTORS	96,401	10.51	98,215	10.77	−0.26	440,070	9.99	497,083	11.46	−1.47
AMC	4,723	0.51	10,264	1.13	−0.62	30,125	0.68	57,586	1.33	−0.65
IMPORTS	259,837	28.32	211,025	23.14	+5.18	1,299,356	29.48	1,053,764	24.30	+5.18
MISC. DOMESTIC	5	0.00	22	0.00	−0.00	37	0.00	91	0.00	−0.00
TOTAL	917,579		911,932			4,406,725		4,336,057		

Automotive News analysis of new-car registrations based on R.L. Polk & Co. statistical report. Oklahoma numbers based on manufacturers' sales records.

AUTOMOTIVE NEWS ANALYSIS OF NEW-CAR REGISTRATIONS

Based on R.L. Polk & Co. Statistical Report
MAY, 1986 VERSUS MAY, 1985

	1986		1985	
	Month	Year	Month	Year
AMC Alliance FWD	3,334	20,646	5,630	30,918
Encore FWD	843	5,790	3,766	20,806
Eagle 4WD	105	615	199	1,356
Eagle 4WD SW	441	3,074	669	4,506
TOTAL AMC	4,723	30,125	10,264	57,586
Chrysler Laser FWD	2,790	12,025	4,945	25,201
LeBaron GTS FWD	4,834	28,426	6,857	19,912
LeBaron FWD	8,159	38,118	7,638	34,951
LeBaron SW FWD	532	2,736	621	3,077
E Class-NY FWD	4,483	21,850	4,686	23,873
NY Fifth Ave-Newpt	8,725	37,111	7,777	38,916
Total	29,523	140,266	32,524	145,930
Plymouth Horizon FWD	10,412	37,451	6,687	44,431
Turismo FWD	3,406	17,585	4,674	27,345
Reliant FWD	9,359	45,163	8,375	46,610
Reliant SW FWD	2,379	12,774	2,836	14,451
Caravelle FWD	3,521	16,287	3,266	15,767
Gran Fury	1,491	6,008	1,902	8,055
Total	30,568	135,268	27,740	156,659
Dodge Omni FWD	8,980	32,562	6,258	37,552
Charger FWD	3,821	19,010	5,275	29,679
Daytona FWD	3,688	15,537	4,654	23,114
Aries FWD	5,853	31,097	7,072	38,257
Aries SW FWD	1,918	10,158	2,267	11,237
Lancer FWD	3,297	20,304	4,401	14,333
600/400 FWD	6,145	25,050	4,884	24,639
Diplomat	2,608	10,818	3,140	15,683
Total	36,310	164,536	37,951	497,083
TOTAL CHRYSLER CORP.	96,401	440,070	98,215	497,083
Ford Escort FWD	26,578	130,504	30,197	120,141
Escort SW FWD	6,146	34,977	7,578	30,487
EXP FWD	22	286	1,927	12,961
Mustang	16,567	70,576	13,530	66,589
Tempo FWD	18,736	107,652	21,059	139,520
Taurus FWD	13,068	47,768	0	0
Taurus SW FWD	5,442	18,521	0	0
LTD	2,205	17,716	15,534	66,132
LTD SW	582	4,640	3,713	18,407
LTD Crn. Victoria	9,629	45,704	11,795	55,861
LTD Crn. Victoria SW	1,780	8,456	2,204	10,869
Thunderbird	10,852	58,954	14,809	64,507
Total	111,607	545,774	122,346	585,474
Lincoln Town Car	9,586	46,497	8,011	44,832
Mark VII	1,761	8,075	1,289	8,642
Continental	1,618	8,094	1,720	12,918
Total	12,965	62,666	11,020	66,392
Mercury Lynx FWD	4,079	23,962	6,123	24,973
Lynx SW FWD	803	4,672	1,333	5,516
Capri	1,080	4,957	1,240	6,603
Topaz FWD	5,064	25,751	5,686	38,175
Sable FWD	6,752	24,608	0	0
Sable SW FWD	2,312	7,369	0	0
Marquis	994	8,304	7,240	36,209
Marquis SW	136	902	855	4,065
Grand Marquis	9,140	41,400	9,583	49,515
Grand Marquis SW	808	3,989	1,010	5,146
Cougar	9,910	47,593	10,830	49,352
Total	41,078	193,507	43,900	219,554
Lincoln-Mercury Division Total	54,043	256,173	54,920	285,946
TOTAL FORD MOTOR CO.	165,650	801,947	177,266	871,420
Buick Skylark FWD	0	0	8,390	44,131
Skyhawk FWD	6,424	26,282	7,955	35,990
Skyhawk SW FWD	469	1,925	552	2,866
Somerset Regal FWD	10,452	47,098	12,356	39,559
Century FWD	17,746	87,357	16,202	72,465
Century SW FWD	2,125	8,848	2,199	10,487
Regal	6,239	33,551	8,670	41,547
LeSabre	0	0	10,439	53,431
LeSabre FWD	8,541	29,973	0	0
Electra FWD	8,880	50,586	6,192	28,556
Buick SW	1,359	5,758	1,306	5,986
Riviera FWD	1,244	6,923	3,988	20,420
Total	63,479	298,301	78,249	355,438
Cadillac DeVille	0	0	109	1,451
DeVille FWD	12,126	69,689	6,918	34,996
Cimarron	1,901	8,821	2,321	8,657
Fleetwood & Chassis	6,583	24,524	4,244	18,900
Fleetwood FWD	0	0	2,436	13,290
Eldorado FWD	1,567	8,903	6,188	26,442
Seville FWD	1,280	6,269	3,004	12,758
Total	23,457	118,206	25,220	116,494
Chevrolet Nova	11,490	56,433	17	45
Chevette	5,645	31,440	8,565	50,694
Camaro	18,111	72,257	17,771	82,537
Cavalier FWD	26,526	142,159	37,049	151,775
Cavalier SW FWD	4,233	24,391	8,534	34,468
Citation FWD	0	0	5,491	29,834
Celebrity FWD	28,003	131,524	22,672	99,634
Celebrity SW FWD	7,794	33,739	7,470	31,619
Monte Carlo	9,656	42,971	10,467	45,871
Impala	0	0	4,921	21,182
Caprice	16,155	75,308	11,047	56,195
Chevrolet SW	3,653	18,113	4,694	22,364
Corvette	3,346	14,380	3,411	15,951
Total	134,612	642,715	142,109	642,169
Oldsmobile Firenza FWD	3,138	13,332	4,267	20,752
Firenza SW FWD	504	2,203	983	4,757
Calais FWD	11,695	47,564	15,785	50,241
Cutlass Ciera FWD	25,025	121,729	24,628	109,364
Cutlass Ciera SW FWD	3,014	12,988	3,915	16,955
Cutlass Supreme-Calais	18,337	89,842	18,186	85,996
Delta 88	0	0	15,192	76,187
Delta 88 FWD	22,004	72,688	0	0
98 FWD	8,404	57,128	8,929	43,609
Oldsmobile SW	1,886	8,775	2,203	9,021
Toronado FWD	1,122	5,725	2,793	14,464
Total	95,129	431,974	96,881	431,346
Pontiac 1000	1,440	8,505	1,655	8,918
Firebird	9,258	38,034	10,036	41,407
Sunbird FWD	8,886	41,263	12,170	46,953
Sunbird SW FWD	468	2,318	840	3,585
Grand Am FWD	19,191	82,888	10,704	43,802
Bonneville	3,434	18,580	4,376	21,113
6000 FWD	13,372	64,807	12,080	51,454
6000 SW FWD	1,414	5,692	1,232	5,572
Grand Prix	3,347	17,958	4,534	22,455
Parisienne	5,801	29,713	3,778	19,279
Pontiac SW	1,191	5,904	1,248	5,751
Fiero	6,484	28,323	10,028	40,377
Total	74,286	343,985	72,681	310,666
TOTAL GM CORP.	390,963	1,835,181	415,140	1,856,113
Miscellaneous Domestic	5	37	22	91
Domestic Station Wagon Total	51,389	242,922	58,262	261,192
Domestic Grand Total	657,742	3,107,369	700,907	3,282,293
Import Total	259,837	1,299,356	211,025	1,053,764
Grand Total All Registrations	917,579	4,406,725	911,932	4,336,057

Automotive News analysis of new-car registrations based on R.L. Polk & Co. statistical report. Manufacturers' sales records used for compiling Oklahoma.

Exports up for 2 in Japan

TOKYO — Toyota Motor Corp. and Nissan Motor Co. reported record exports during June despite increased overseas competition resulting from the yen's sharp appreciation against other currencies.

Toyota said its vehicle exports in June increased 3.6 percent from the year-ago total to 179,294 units, exceeding the previous June record of 173,144, set in 1985.

Nissan also exported a record June high of 136,673 units, an increase of 4.3 percent from the year-earlier total.

Toyota said its June exports marked the first increase over the year-earlier month in four months. It said the increase was due to good sales in North America and Europe.

A breakdown of Toyota's June exports included 118,385 cars, up 12.6 percent from the year-ago total, and 60,909 trucks and buses, down 10.4 percent.

Toyota said its shipments to the United States jumped some 20 percent to 103,009 in June despite price increases since last September.

Nissan's exports to the United States in June increased 20.2 percent over last year's total to 77,771 units.

Toyota said production for June rose 3.1 percent to a record for the month of 314,306 units, beating the previous June mark of 304,881 set in 1985.

Nissan said its production for the month declined 4.3 percent to 208,587.

Jobless rate dips in Japan

TOKYO — Japan's seasonally adjusted unemployment rate in May fell 0.2 percent from April to 2.7 percent.

According the the Japanese government's Management and Coordination Agency, the April jobless rate of 2.9 percent matched the highest rate on record, set last December.

May saw the number of unemployed fall to 1.62 million from 1.82 million in April but registered an increase of 90,000 compared with May 1985, the government said.

The agency also announced that 59.21 million people were working in May, about 200,000 more than in the same month last year.

The number of workers in the service and construction sectors increased from April, while those in manufacturing and agriculture declined, the agency said.

The yen's appreciation against the U.S. dollar and other currencies continued to affect employment in the manufacturing industry, the government said.

AUCTION DATES

American Motors

July 29 — Aptco Auto Auction, Taylor, Mich., and D-A Auto Auction, New Stanton, Pa.

July 30 — Kansas City Auto Auction, Kansas City, Mo., and Metro Milwaukee Auto Auction, Caledonia, Wis.

July 31 — Northway Exchange Inc., Clifton Park, N.Y.; Evansville Auto Auction, Evansville, Ind.; and Todd Auto Auction, Telford, Pa.

Chrysler Corp.

July 29 — NuCarPrep System, Santa Fe Springs, Calif.

July 30 — Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; and South Seattle Auto Auction, Kent, Wash.

July 31 — Fredericksburg Auto Auction, Fredericksburg, Va.

Aug. 1 — Floyd Hauhe Auto Auction, Bridgeton, Mo.

Ford Motor Co.

July 29 — South Seattle Auto Auction, Kent, Wash.

July 30 — Columbus Fair Auto Auction, Obetz, Ohio, and Clanton's Auto Auction, Darlington, S.C.

July 31 — Houston Predelivery Center, Houston, Texas, and Floyd Hauhe Auto Auction, Bridgeton, Mo.

General Motors

July 30 — Atlanta Auto Auction, Red Oak, Ga.; Golden Gate Auto Auction, Fremont, Calif.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Brasher's Salt Lake Auto Auction, Salt Lake City

July 31 — Arena Auto Auction, Chicago

Aug. 5 — Dallas Auto Auction, Dallas; Southern Auto Auction, East Windsor, Conn.; and Southwest Auto Auction, Phoenix, Ariz.

Aug. 6 — Hatfield Auto Auction, Hatfield, Pa.; Clanton's Auto Auction, Darlington, S.C.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

July to date	$5,191
Month ago	$5,176
Year ago	$4,815

Model Breakdown
Auction Averages

	JUL 1986	JUN 1986	MAY 1986
1986	$12,501	$12,183	$11,292
1985	$8,522	$8,558	$8,650
1984	$6,275	$6,342	$6,384
1983	$5,501	$5,530	$5,516
1982	$4,358	$4,363	$4,361
1981	$3,394	$3,422	$3,423
1980	$2,529	$2,561	$2,560
1979	$2,167	$2,172	$2,195
Overall Average	$5,191	$5,194	$5,143

NHTSA gives insurers timetable on theft data

By Geoff Sundstrom
WASHINGTON REPORTER

WASHINGTON — When the insurance industry went to bat for a motor-vehicle anti-theft standard in the early 1980s, it took a strike and then hit a home run.

Congress told the insurance companies they would have to compile, on an annual basis, all manner of data on motor-vehicle thefts and supply it to the federal government. Lawmakers then passed the Motor Vehicle Theft Law Enforcement Act of 1984, also known as the parts-marking law.

Now, as auto manufacturers are scrambling to label vehicle parts with Vehicle Identification Numbers for the 1987 model year, insurance companies are gearing up for the reporting requirements. NHTSA has proposed that insurers submit their first vehicle theft reports in October.

The reports must include information on the thefts and recoveries of stolen vehicles insured by each company; the rating rules they use to establish premiums for comprehensive insurance; the premium penalties for vehicles considered more likely to be stolen; and actions taken to reduce premiums if the rate of theft drops.

The government also wants to know what insurers are doing to help reduce thefts.

NHTSA is charged with digesting that material for a report to Congress in October 1987.

Congress stipulated that only the largest of the insurance companies are to be subject to the reporting requirement. NHTSA has proposed that 31 insurers be covered by the rule and that the remainder, all small insurers, be excused from collecting data.

NHTSA said it would take comments on its proposal until July 25.

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CONGRESS

FROM PAGE 1

work tools themselves."

In assessing the current U.S. market, Smith said the industry "still is on track" for 15.5 million new-car and truck sales in the U.S. in 1986, "close to last year's record of 15.7 million."

Hennessy noted that "many U.S. suppliers are feeling the heat."

He referred to a recent industry study that projects 20 percent of domestic suppliers will go out of business within 10 years because of offshore sourcing by domestic vehicle manufacturers.

"Detroit's loss of U.S. market share to Japan has hurt American suppliers," Hennessy said. "Japanese automakers have preferred to use their traditional suppliers, both in Japan and here in the U.S. — where some 50 Japanese firms have now set up shop."

While European suppliers have been largely shielded from Japanese competition by trade barriers, Hennessy said, "now they, too, are struggling to measure up to the new cost and quality standards."

To turn difficulties into opportunities, Hennessy said, the domestic supplier industry must follow the lead of Detroit vehicle manufacturers in "renewing our businesses from top to bottom."

The Allied-Signal chairman suggested a five-pronged thrust by suppliers.

It includes: Entering into new partnerships with automaking customers; becoming truly international in marketing and production capabilities; creating automated factories focused on flexible production rather than volume output; getting all supplier company people working together; and developing more sophisticated research and engineering skills.

Hennessy stressed that suppliers who want to succeed in today's automotive industry must have global manufacturing positions; be able to guarantee rapid deliveries anywhere in the world; and be located in areas that help keep production costs at an absolute minimum.

He cited the need for worldwide computerized networks that link machines with data bases, production systems with business systems and design and manufacturing functions with personnel and distribution functions.

On the theme of product innovation, Hennessy said today's average car contains $625 worth of electronics, and predicted the figure "could reach $1,400 by 1995."

Hennessy said Allied-Signal will invest $200 million during the next few years to strengthen its multinational capabilities in electronics systems and is looking for acquisitions to "fill out and extend our product lines."

He said Allied-Signal wants its Bendix Electronics operation "to be a $1 billion company by 1990."

Ward's to launch international issue

Ward's Communications Inc. later this year will launch a new publication called Ward's Automotive International.

The publication will be headquartered in Detroit. Editor will be Mike Sheldrick, former Detroit bureau chief for Business Week.

Ward's, a subsidiary of Thomson International, already has several auto products, including newsletters, statistical services and Ward's Auto World magazine, a controlled-circulation monthly. The company also plans to launch a dealer magazine, according to one source involved in the planning.

AHA Fleetmaster — the first step in 'Project Big Yellow'

AHA to bring back the taxi

AHA Automotive Technologies Corp. is introducing a taxi which it calls the first step in its "Project Big Yellow" program to build a cab it hopes will fill the void left when Checker abandoned taxi production.

The AHA Fleetmaster — a new six-passenger taxi — is making its debut at the Automotive News World Congress.

The company, whose shares are traded on the Toronto Stock Exchange, is located in Brampton, Ontario.

Company President Melvyn A. Stein said that the modified Mercury Grand Marquis accommodates six passengers on two facing seats in the rear compartment. A separate compartment next to the driver — instead of a seat — provides additional luggage space.

"The major difference with this taxi is that it holds six passengers as opposed to three," Stein said. The vehicle's wheelbase has been extended 36 inches, and it has upgraded suspension, a heavy-duty cooling system and oversized tires.

The taxi will sell for "under $20,000," Stein said.

AHA will begin building the Fleetmaster during the 1987 model year, with a target of 1,000.

AHA also builds standard and stretch limousines, ambulances, vans and motor homes.

CENSUS

FROM PAGE 3

was reduced to 102 by a change in the number of intercorporate duals.

All figures in this article and in the accompanying tables signify the net change in dealer totals, both for the individual corporations and car lines and for the domestic industry as a whole.

This year's quarterly breakdown of census figures was discouraging. The domestic industry lost 25 outlets in the first quarter, but that number tripled to 77 for the April-June period.

On the franchise side, six of the 14 makes showed gains for the first half, six were down and two were unchanged. The declines outnumbered the gains.

There were advances of 10 franchises for Oldsmobile, eight for Lincoln, five for Pontiac, four for Plymouth, three for Dodge and one for VW.

Declines amounted to 43 for Ford, 42 for Renault, 18 for AMC, five for Buick, five for Chevrolet and one for Chrysler. The Jan. 1 and midyear franchise totals were unchanged for Mercury and Cadillac.

Chrysler Motors had 4,000 car dealers on July 1, down three from the beginning of the year. There was a gain of two in the first quarter and a loss of five in the second.

The second-quarter ended a string of 14 consecutive quarters in which the company's dealer total had either risen or stayed the same.

Franchise figures on July 1 were Chrysler, 3,048; Plymouth, 3,013; and Dodge, 2,930.

In addition to its 4,000 car dealers, Chrysler Motors has three that handle only Dodge trucks. They are not included in the Chrysler Motors car dealership total or in the Dodge car franchise total.

Ford Motor Co. had quarterly slips of 16 and 19 as its car dealer total fell to 5,482 from 5,517. In 1985, Ford showed a decline of 20 for the first half.

Franchise totals on July 1 were Ford, 4,639; Mercury, 2,477; and Lincoln, 1,606.

Ford Motor has 113 dealers that handle only Ford heavy-duty trucks. They are not included in the company's car dealer total or in the Ford Division car franchise total.

GM had a first-half drop of 25 dealerships, five in the first quarter and 20 in the second. The July 1 total was 9,805. The decline was 55 in the first half of 1985.

Midyear franchise figures were Chevrolet, 5,045; Oldsmobile, 3,200; Pontiac, 2,985; Buick, 2,955; and Cadillac, 1,615.

Adding in the GMC Truck outlets that do not handle any of the corporation's car lines, the GM dealer total is 10,375.

AMC-Renault was steady in the first quarter with a dip of only one outlet, but the second quarter brought a drop of 49. The July 1 count was 1,371. In the first half of 1985, AMC-Renault was down 26.

Franchise totals on July 1 were AMC, 1,350; Renault, 1,276.

Nearly all the AMC-Renault dealerships handle both lines — 1,253 of the 1,371, or 91 percent.

AMC has 7: ! duals with Big Three Makes, and Renault is included in 91 percent of them.

Volkswagen showed no change in the first quarter and added one dealer in the second for a midyear total of 878. In the first half of 1985, VW lost 15. VW has an estimated 150 duals with AMC-Renault and Big Three makes.

The latest count of 20,571 domestic-car dealerships is down 216 from the 20,787 in operation on July 1, 1985.

U.S. FRANCHISES

	Jul. 1, 1986	Jan. 1, 1986
AMC-RENAULT		
AMC	1,350	1,368
Renault	1,276	1,318
CHRYSLER CORP.		
Chrysler	3,045	3,049
Dodge	2,930	2,927
Plymouth	3,013	3,009
FORD MOTOR CO.		
Ford	4,639	4,682
Lincoln	1,606	1,598
Mercury	2,747	2,747
GENERAL MOTORS		
Buick	2,955	2,960
Cadillac	1,615	1,615
Chevrolet	5,045	5,050
Oldsmobile	3,200	3,190
Pontiac	2,985	2,980
VOLKSWAGEN	878	877

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Atlanta strike halves Taurus/Sable output

By Mary Connelly
DETROIT REPORTER

A strike at one of the two plants producing Ford Motor Co.'s hot-selling Taurus and Sable models may put a further pinch on already slim supplies.

UAW Local 882 at Ford's Atlanta assembly plant walked off the job to protest working conditions. The strike began at 12:01 a.m. Saturday, July 19, prior to the 2:30 a.m. end of the scheduled shift.

Last Thursday (July 24), a Ford spokesman said no negotiations had been held since the strike began. No talks were scheduled at presstime.

Two eight-hour overtime shifts were scheduled Saturday at Ford's Chicago assembly plant which has been producing 50 percent of the Taurus and Sable sedans and wagons.

Both plants produce at a rate of 63 cars per hour and 1,000 units daily.

On July 1, inventory figures showed a 44-day supply of Taurus and a 34-day supply of Sable models. A 60-day supply is considered normal.

A spot check of Ford and Lincoln-Mercury dealers throughout the country indicated that, for many, consumer demand outstrips supply. The Atlanta strike can only worsen the situation.

"The supply is a big zero," said Ricco Arce, general manager of Northstar Lincoln-Mercury, Poughkeepsie, N.Y.

"I don't have one car in stock, not a demo, nothing. It's a fabulous car, we just don't have it.

"People are coming in asking, 'Where is Sable?' I show them brochures or pictures.

"I have retail orders in my order bank and I cannot supply them. I have a lot of mad customers here right now," Arce said.

"That car is in critical supply," said Gary Collins, president of Downtown Ford, Louisville, Ky., referring to the Taurus.

"We could sell five times what we're getting," he said.

"A strike concerns me but it doesn't upset me," Collins said. "Getting one less a month will not put us out of business. We've got other products just as good."

"Supply is pretty severe," said Dale Nasser, general manager of Fortune Lincoln-Mercury, El Paso, Texas.

"Ford has to do something. We're losing quite a bit of business."

Nasser said he has five Sable models in stock. Three retail units have been on order two months and he expects an additional three-week wait before delivery.

The strike at the Atlanta plant is allowed under the national agreement between Ford and the UAW, which permits employees to strike over health and safety issues.

Sid Hamby, president of UAW Local 882, which represents 3,000 unionized workers at the plant, said members of the Atlanta bargaining committee are scheduled to meet Tuesday in Detroit with Stephen Yokich, head of the international union's Ford department.

Hamby said the issues which prompted the strike include "severe heat problems" in the plant, "poor ventilation," noise levels in excess of federal regulations and hazardous asbestos fibers in working areas.

Ford declined to comment on the union's allegations.

The two sides had been discussing the issues for three months and continued negotiating until the walkout.

"We very much regret the work stoppage," Ford said. "We hope for a quick resolution of the issues and will continue to work toward an early settlement that is fair to both parties.

"Then we can get back to doing what we do best — building the Ford Taurus and Mercury Sable, both of which remain in strong demand throughout North America."

Taurus and Sable represent a $3 billion investment for Ford. Production at the Atlanta plant began Oct. 14 and public introduction followed Dec. 26.

Ford said it spent $250 million modernizing the Atlanta plant, adding a new paint facility and expanding the body shop to add 100 robots in preparation for the Taurus/Sable launch.

Ford Steel strike OK'd

By Mary Connelly
DETROIT REPORTER

Ford Motor Co. has a one-month supply of steel from Rouge Steel and is studying contingency plans in case its steel-producing subsidiary is closed by a strike.

Members of UAW Local 600 approved a strike authorization vote at the Rouge Steel plant last week. No strike deadline has been set. A contract covering 4,000 employees expires Thursday (July 31).

The Rouge plant supplies 40 percent of Ford's steel requirements.

If a strike occurs, it is possible that an additional 9,000 members of UAW Local 600 at the Rouge manufacturing complex could also walk off the job because they are not covered by a signed agreement. Ford has confirmed that a contract was negotiated in 1984 but was never signed.

Negotiators for Ford and the UAW met at two brief main-table meetings last Wednesday and Thursday. Ford characterized those 35-minute and 15-minute sessions as "congenial."

No additional main-table sessions were scheduled at presstime, although subcommittee meetings were continuing.

The UAW said Ford has failed to address the union's chief concern — clarifying the future of the steel plant which the company has said it would consider selling. A Ford spokesman said the outcome of the current negotiations will "play a role" in determining the future of the steel operation which union sources said lost $90 million in 1985.

"The company has made an economic proposal and we're looking at it," the UAW said last week. "It failed to address one of the key questions — clarification of the future of this plant. All of that affects what kind of contract would be in the best interest of Rouge Steel workers."

The union has not made a formal counterproposal to the company's economic proposal.

Ford described its economic offer as "fair and realistic, especially in view of the unsettled conditions in the U.S. steel industry and the competitive realities of the marketplace."

PRODUCTION

Auto production sliced by summer downtime

By Kathy Boyer
DETROIT REPORTER

With several plants down for model changeover and vacation, last week's scheduled domestic auto output fell to 112,015 units.

The figure was 16.86 percent below the previous week's 134,730 and 27.72 percent below the year-ago week's 154,974.

Nissan Motor Manufacturing Co.'s car line in Smyrna, Tenn., remains idle for model changeover.

American Motors' Kenosha, Wis., plant was closed for vacation last week. It is scheduled to resume output today (July 28).

Volkswagen of America's plant in Westmoreland, Pa., will be idle until Aug. 18 for changeover.

Beginning today, three more GM plants are closed for changeover: Fairfax, Kan., until Aug. 5; Flint, Mich. (Buick City), until Aug. 7; and Willow Run, Mich., until Aug. 14.

Other GM plants down for changeover are: Orion Township, Mich.; Leeds, Mo.; Lordstown, Ohio; Doraville, Ga.; Norwood, Ohio; Pontiac, Mich.; and Van Nuys, Calif.

Taurus-Sable production at Ford's Atlanta plant was halted July 19 by a strike over working conditions.

Saturday (July 26) overtime was scheduled at Ford's Chicago plant, the other Taurus-Sable facility.

Ford has slated daily overtime this week at all plants except Wixom, Mich.

Chrysler scheduled overtime last Saturday at its Belvidere, Ill., plant.

Daily overtime this week is slated at Belvidere and at Chrysler's St. Louis (No. 2) and Sterling Heights, Mich., facilities.

2-millionth truck produced

Domestic makers assembled their two-millionth truck of the year last Monday (July 21), nine days ahead of the 1985 pace.

Last week's targeted production of 68,987 trucks was 3.91 percent more than the previous week's 66,391 and 0.80 percent more than the year-ago week's 68,439.

American Motors' Toledo, Ohio, plant, which assembles Jeeps, closed for vacation July 21. It will reopen Aug. 11.

Navistar International's plant in Springfield, Ohio, resumes production today (July 28). It had been closed for vacation since July 14.

Daily overtime is slated this week (July 28) at all Ford plants except Lorain, Ohio.

Overtime is scheduled Saturday (Aug. 2) at Ford's Twin Cities plant.

Canadian trucks at '86 low

Car-and-truck production in Canada continued to be affected by plant vacations last week.

The truck production estimate of 3,857 units was the lowest of any week this year.

Output was 43.35 percent below the previous week's 6,808 and 53.68 percent below the year-ago week's 8,327.

Scheduled output of 9,132 cars was 2.04 percent more than the previous week's 8,949 but 53.72 percent below the year-ago week's 19,730.

General Motors' Ste. Therese, Quebec, plant remains closed until Aug. 18 for vacation.

Ford Motor Co.'s St. Thomas, Ontario, plant resumed production last week (July 21). It had been closed for vacation since July 7.

Chrysler Motors' Windsor, Ontario, plant resumes production today (July 28), ending a vacation that began July 14.

CANADIAN CAR	Week Ended July 26, 1986	Week Ended July 27, 1985	Week Ended July 19, 1986	July Est.	Jan. 1 to July 27, 1985	Jan. 1 to July 26, 1986
AMERICAN MOTORS	0	0	0	0	5,493	2,382
FORD MOTOR	5,520	10,887	0	12,393	278,729	295,326
GENERAL MOTORS	3,387	8,618	8,724	30,128	316,370	328,957
VOLVO	225	225	225	819	6,231	6,226
Total Cars, Canada	9,132	19,730	8,949	43,340	606,823	632,901

U.S. TRUCK*	Week Ended July 26, 1986	Week Ended July 27, 1985	Week Ended July 19, 1986	July Est.	Jan. 1 to July 27, 1985	Jan. 1 to July 26, 1986
CHEVROLET	22,081	25,786	22,168	78,432	700,169	702,886
DODGE	3,800	3,901	4,025	16,334	126,107	51,998
FORD	30,601	24,703	28,839	60,364	675,292	614,885
GMC	6,335	7,797	6,695	24,378	215,741	211,909
NAVISTAR	0	1,670	0	1,032	44,959	40,127
JEEP	0	0	2,313	8,446	114,682	109,302
NISSAN	3,820	2,532	0	6,265	58,193	71,561
AM GENERAL*	50	50	50	182	1,440	1,462
MISCELLANEOUS*	2,300	2,000	2,300	8,372	52,603	66,240
Total Trucks, U.S.	68,987	68,439	66,391	204,303	1,989,386	2,070,370

CANADIAN TRUCK	Week Ended July 26, 1986	Week Ended July 27, 1985	Week Ended July 19, 1986	July Est.	Jan. 1 to July 27, 1985	Jan. 1 to July 26, 1986
AMERICAN MOTORS	550	0	912	2,932	0	16,170
CHRYSLER	0	0	0	8,104	238,389	227,106
FORD	0	3,349	0	2,215	92,998	91,859
GENERAL MOTORS	3,307	4,706	5,896	18,721	171,693	168,779
NAVISTAR	0	272	0	326	7,154	5,461
Total Trucks, Canada	3,857	8,327	6,808	32,298	508,174	509,375
N. American Trucks	72,844	76,766	73,199	236,601	2,497,560	2,579,745

*—Industry weather vane production. †—Estimated.
Total includes domestic car only. AM General includes government-financed vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain some errors of one or two units due to rounding.

U.S. CAR	Week Ended July 26, 1986	Week Ended July 27, 1985	Week Ended July 19, 1986	July Est.	Jan. 1 to July 27, 1985	Jan. 1 to July 26, 1986
AMERICAN MOTORS	0	2,834	0	1,444	61,614	30,037
Renault Total	0	2,834	0	1,444	61,614	30,037
Alliance	0	1,888	0	1,363	38,349	26,690
Encore	0	946	0	81	23,265	3,347
CHRYSLER CORP.	13,100	17,331	13,481	55,255	822,902	796,667
Plymouth Total	4,800	5,670	4,410	19,784	236,583	237,067
Horizon	3,290	2,902	2,857	11,927	88,351	97,192
Sundance	1,100	0	1,049	3,072	0	4,257
Reliant	0	2,506	504	3,377	105,378	96,957
Caravelle	0	5	0	494	31,664	27,823
Gran Fury	500	257	0	914	11,290	10,838
Chrysler Total	3,300	4,087	2,317	15,675	267,874	254,383
LeBaron	0	670	594	3,062	62,843	63,872
LeBaron GTS	1,000	0	1,293	5,622	60,506	41,247
Laser	0	1,045	430	1,484	34,445	27,239
New Yorker/E-Class	0	0	0	937	43,539	47,309
Fifth Avenue	2,300	2,372	0	4,570	60,541	74,716
Dodge Total	5,000	7,574	6,754	29,796	314,345	305,217
Omni	2,600	2,628	3,458	13,535	86,996	93,888
Shadow	1,000	0	912	2,719	0	3,799
Aries	0	2,252	422	3,306	87,795	75,480
Daytona	0	1,076	832	2,725	31,598	30,807
Dodge 600	0	651	341	2,259	43,168	46,756
Lancer	600	0	789	3,460	42,807	33,260
Diplomat	800	967	0	1,800	22,981	21,227
FORD MOTOR	38,321	33,646	36,290	83,898	961,306	1,028,130
Ford Division	26,673	22,279	26,714	59,806	637,589	704,755
Escort	7,954	7,545	7,577	15,531	184,193	219,426
Mustang	4,336	3,697	4,114	14,869	102,152	117,033
LTD	0	4,092	0	0	125,148	0
Taurus	7,089	0	8,091	15,180	0	183,712
Thunderbird	3,099	2,904	2,917	6,016	108,486	90,981
Crown Victoria	0	0	0	0	7,122	0
EXP	0	0	0	0	3,838	0
Tempo	4,195	4,041	4,015	8,210	106,650	113,603
L-M Division	11,648	11,367	11,576	24,092	323,719	323,375
Mercury Total	8,402	7,838	8,320	17,590	231,896	222,967
Lynx	1,465	1,803	1,342	2,807	42,006	36,992
Capri	198	745	180	1,246	10,849	10,791
Marquis	0	1,788	0	0	62,869	0
Sable	2,438	0	2,650	5,068	0	69,346
Cougar	3,085	2,350	2,920	6,005	78,761	71,596
Grand Marquis	0	0	0	0	4,733	0
Topaz	1,216	1,152	1,228	2,444	32,478	34,240
Lincoln Total	3,246	3,529	3,256	6,502	92,023	100,408
Continental	362	487	364	726	15,467	11,304
Lincoln	2,436	2,642	2,443	4,879	66,369	75,325
Mark VI/VII	448	400	449	897	10,187	13,779
GENERAL MOTORS	52,062	92,849	74,301	259,624	2,930,316	2,586,662
Buick Total	14,215	22,282	16,545	58,907	600,500	470,764
Skylark (X-car)	0	0	0	0	40,953	0
Skyhawk	0	2,244	2,512	6,754	67,136	53,159
Somerset/Skylark	2,790	2,149	2,780	10,232	70,299	67,704
Century	4,360	6,022	4,751	16,978	157,535	147,724
Regal	0	4,003	0	1,318	76,395	36,489
LeSabre/Electra(fwd)	349	2,441	350	1,285	82,559	8,931
LeSabre (fwd)	4,879	0	4,623	16,508	0	85,910
Riviera	918	1,187	802	2,825	39,271	15,870
Electra(fwd)	919	4,236	727	3,207	66,352	54,977
Cadillac Total	335	6,848	5,656	15,710	216,099	194,075
Cimarron	335	56*	343	1,282	16,978	15,781
Seville	0	721	722	1,940	22,938	13,364
Eldorado	0	1,410	684	1,920	43,306	14,796
Cadillac (rwd)	0	355	0	0	28,818	49,101
DeVille (fwd)	0	3,802	3,907	10,568	104,057	101,033
Chevrolet Total	14,438	26,538	19,729	67,874	991,323	796,976
Chevette	0	3,086	0	1,316	98,259	61,031
Cavalier	4,225	9,168	8,336	26,246	292,461	248,857
Celebrity	3,118	5,485	3,138	11,294	167,370	159,932
Camaro	0	3,167	2,944	8,437	136,819	115,669
Citation	0	0	0	0	28,699	0
Monte Carlo	2,804	1,939	2,180	8,308	82,485	67,947
Chevrolet	3,851	2,893	3,131	11,220	156,538	127,757
Corvette	640	600	0	1,055	26,561	15,783
Oldsmobile Total	14,972	24,810	21,097	64,343	727,644	645,193
Firenza	0	798	333	871	38,961	23,400
Cutlass Supreme	0	5,618	0	1,118	134,806	84,031
Cutlass Ciera	3,287	6,540	7,894	20,804	214,119	165,271
88 (rwd)	0	5,528	0	0	146,961	11,749
88 (fwd)	7,915	0	8,031	24,895	0	208,523
Olds 98	1,026	2,874	2,246	7,212	82,837	67,412
Calais	2,010	2,749	2,023	7,376	86,302	72,909
Toronado	734	703	570	2,266	23,636	11,898
Pontiac Total	8,102	12,371	11,274	52,789	394,750	488,654
Acadian**	0	202	0	431	7,711	9,864
2000 Sunbird	0	2,514	2,085	8,231	83,104	84,198
1000	0	992	0	513	18,334	11,792
Firebird	0	1,585	1,898	7,527	73,325	70,440
6000	3,255	1,551	2,602	11,857	29,738	92,450
Parisienne	47	1,529	605	3,281	43,872	41,184
Fiero	0	2,132	262	3,409	69,754	44,332
Grand Am	4,800	2,166	3,822	17,540	68,912	134,394
HONDA	4,700	3,051	4,826	13,801	92,070	110,786
NISSAN	0	1,304	0	0	13,085	21,517
NUMMI*	3,832	1,700	3,832	14,562	19,757	116,877
VOLKSWAGEN	0	2,259	0	3,063	56,326	50,282
Total Cars, U.S.	112,015	154,974	134,730	441,646	4,957,378	4,749,958
Total Cars, Canada	9,132	19,730	8,949	43,340	606,823	632,901
N. American Cars	121,147	174,704	143,679	484,986	5,564,201	5,382,859
N. American Trucks	72,844	76,766	73,199	236,601	2,497,560	2,579,745
North American Cars and Trucks	193,991	251,470	216,878	721,587	8,061,761	7,962,604

*—Joint venture. **—All Acadians are built for sale in Canada.
Monthly estimates may contain some errors of one or two units due to rounding.

Accord seen on Jefferson labor pact

By Mary Connelly
DETROIT REPORTER

Chrysler Corp. and the UAW are expected to reach agreement this week on the type of labor contract needed to ensure construction of a new Jefferson Avenue assembly plant in Detroit.

Chrysler has said it will invest up to $1.2 billion to build a new Jefferson Avenue plant and produce a new pickup truck there if it can achieve a modern labor agreement with the UAW and capture state and city tax incentives.

Last week, Chrysler Chairman Lee Iacocca and a local union official predicted success in the negotiations. The deadline is July 30.

"I think we'll bring it all together," Iacocca said. "That was our hope going in and it seems to be going OK."

"If Chrysler shows good faith, we're going to end it by Monday (July 28)," said Wolf Lawrence, president of UAW Local 7.

Negotiations were scheduled on Saturday and Sunday and were expected to cover such major issues as reduction of the 97 job classifications and management style at the aging plant.

The union has said it is seeking to reduce "needless layers of management" and to reach an agreement achieving more worker participation and Japanese-style management methods at the plant.

Lawrence said work rules and administrative plant rules have already been discussed.

"This union is ready to give Chrysler a good, workable agreement. They have to be ready to give the union something," Lawrence said, citing job security, maintenance of the seniority system and health and safety items.

Iacocca indicated that Chrysler must also have state and city tax breaks before it would invest $1 billion to $1.2 billion between 1987 and 1991 to build a new Jefferson Avenue plant.

"We still have a lot of work ongoing with the state and city," he said. "This should all come together within 30 days."

Chrysler's plan calls for car production at Jefferson Avenue to cease in 1987. Pickup truck assembly would begin in 1988 in a refurbished plant while a new complex is under construction.

There are 4,800 workers employed at the Jefferson plant, which now assembles Plymouth Reliant and Dodge Aries models. No product had been slated after the 1987 model year.

Chrysler and UAW negotiators are working to reach plant-saving agreements by July 30 at Jefferson, the Trenton, Mich., engine plant and the Huntsville, Ala., electronics plant.

Iacocca described the negotiations at Trenton engine as proceeding "very well."

The union has said 1,600 jobs are at stake at the plant. Chrysler will invest $280 million to build a new V-6 engine if a new operating agreement is reached.

At Huntsville, Chrysler has said it will invest $60 million to build a plant that would serve as the hub of the company's automotive electronics operations if a new agreement is achieved. Chrysler employs 2,765 workers at its Huntsville electronics operation.

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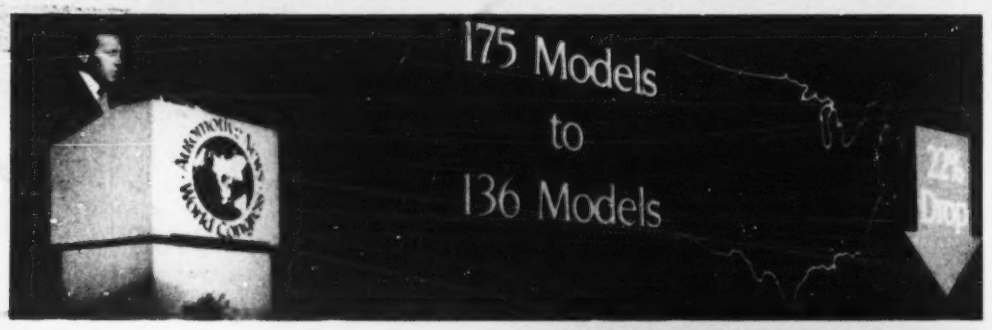


World Congress reveals urgency

By Kathleen Hamilton
MANAGING EDITOR

The 11th Automotive News World Congress revealed an automotive industry quickly girding itself for a worldwide competitive battle that will bloody and perhaps even destroy the inefficient and producers with mediocre quality.

The themes iterated by industry and government speakers at the conference this year were not new — globalization, cost cutting, quality, competitiveness. What was new was the degree of commitment and the sense of urgency expressed by speakers and participants alike.

Inside:
Complete report on the World Congress

And while the issue of international harmonization of standards is not new, it clearly emerged as the next hot trend. Again and again, speakers called for rules that would allow the same components to be used across national borders. The issue has taken on new urgency as companies search for every opportunity to cut production costs and increase efficiencies of scale.

Perhaps because of the industrywide feeling of an impending shakeout, or perhaps because of the increasing power held by megadealers, there appeared to be a resurgence this year in dealer interest in the Congress. The traditional distribution system is indeed on the verge of a shakeup if not a shakeout, according to the trends and forecasts cited by industry leaders last week.

After four years at Detroit's Westin Hotel, the Automotive News World Congress returned to the Hyatt Regency Hotel in Dearborn. Attendance increased by more than half this year, to 480. The Tuesday Evening Gala, addressed by Porsche AG Chairman Peter Schutz and Chrysler Corp. Design Vice President Thomas C. Gale, was limited to 820 persons by room capacity.

People — and good people-management — far outweigh the importance of manufacturing systems or technology, according to Schutz, the man who heads a company best know for its cutting-edge technology.

"You don't attract and hold the best people with money," he said. "You do it with exciting work and the chance to become winners."

It was a message echoed by the convention's closing speaker, Osamu Nobuto, president of Mazda Motor Manufacturing U.S.A., which is in the midst of setting up U S. assembly in Flat Rock, Mich.

A work environment with stable, fulfilling jobs will be as important as the plant's novel layout and its 330 robots, according to Nobuto.

AUTOMOTIVE NEWS JOE WILKENS

Faces of the World Congress, from top: Lloyd Reuss of GM, a panel discussion, Allan Gilmour of Ford and Peter Schutz of Porsche. Below is Thomas Gale of Chrysler.

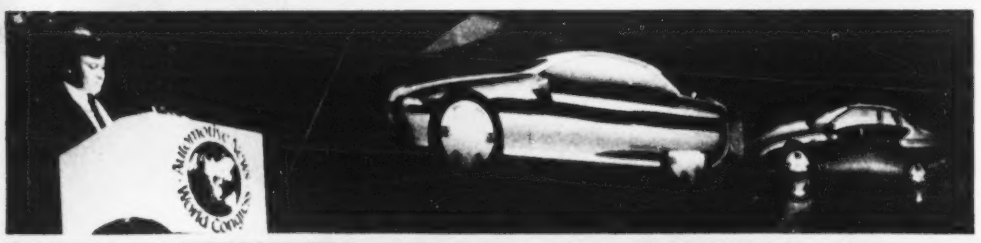
Asked after his speech about the biggest differences he has seen so far between American and Japanese workers, Nobuto said Americans tend to do their assigned jobs, Japanese try to improve their assigned product or process.

Opening night speakers Edward L. Hennessy Jr., chairman of Allied-Signal, and Roger B. Smith, chairman of General Motors, also put employes high up in their formulas for success in the increasingly competitive marketplace.

But Smith — and, later in the week, GM Executive Vice President in charge of North American cars Lloyd E. Reuss — emphasized GM's commitment to pushing manufacturing technology in order to get competitive.

They acknowledged GM ran into problems trying to automate plants. "By attempting as much as we

see CONGRESS, page 55



Ford chooses IBM for $300 million computer system

By Jake Haas
SPECIAL CORRESPONDENT

Ford Motor Co. confirmed that it has chosen IBM to develop a comprehensive, $300 million to $400 million, company-wide integrated office automation and communications system for its North American operations.

The program will help slash its 170,000-person white-collar work force by approximately 35 percent over the next five years, while adding 30,000 office work stations, doubling the number the company already has.

But Ford is still on the prowl for automation expertise. The company reportedly is now looking for bids from software developers to come up with company-wide programming integration to tie in Ford's 20 systems organizations scattered throughout the world.

It also approached IBM for a proposal on that. However, Ford sources emphasize that no contract has been signed or written, pending negotiations with IBM over the next 90 days to work out the details.

Although it is seen as unlikely, Ford could change vendors if negotiations with IBM break down.

Said a company insider, "We do not have a contract with IBM. We do not have an agreement with IBM. What we have done is decide it makes sense to standardize on one manufacturer. All we've done is decide our preferred manufacturer will be IBM. We've just begun negotiations."

Besides desktop hardware and software prices and specifications, networking work stations and micro-to-mainframe links will be included. Also of primary concern are incompatibility solutions and responsibilities between Ford's four office automation vendors, IBM, Digital Equipment Corp., Wang Laboratories and Fortune Systems Corp.

Losing out in the office automation scramble that began in May were Digital Equipment Corp. and Wang Laboratories, which have large installed bases at Ford. Other computer vendors, including a miffed Burroughs Corp., which also has installations at Ford, were not permitted to bid because in the automaker's judgment they lacked the size, breadth and depth to do the job.

Ford began taking bids about two months ago. IBM won primarily because of its presence in the company. Half the company's office work stations, 15,000, are IBM units.

"One of the considerations we are looking at is that less people will have to change systems," explained a Ford spokeswoman. "There were no overwhelming considerations because the three

see IBM, page 7

Chrysler America up $300; '87s rise 2 pct.

By Mary Connelly
DETROIT REPORTER

Chrysler Corp. has added $300 to the price of its America subcompacts, which Chairman Lee Iacocca has touted in a national advertising campaign as the lowest-priced domestically built cars.

The base retail price of Dodge Omni and Plymouth Horizon America models was increased to $5,799 effective with shipments of Aug. 1.

Chrysler Motors Chairman Gerald Greenwald said that despite the price hike, the America models remain the lowest-priced American or Japanese four-door sedans available.

Chrysler last week also announced tentative prices of some 1987 cars and said the increase for the whole car line averages less than 2 percent over prices of comparably equipped 1986 cars.

Chrysler announced no dollar figure, but Automotive News estimated that a 2 percent increase would average about $240.

Included in the announcement were the new Dodge Shadow and Plymouth Sundance. Two-door models start at $7,499 for Shadow and $7,599 for Sundance.

The 1987 Dakota, a new mid-sized pickup truck, has a base price of $7,338, Chrysler said.

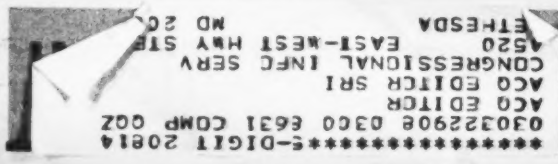
The tentative prices are effective with shipments of new models to dealers. Chrysler estimated that 90,000 1987 vehicles would be in dealer stock by Aug. 15.

According to dealer sources, the Aries and Reliant compacts will be offered in only two two-door and four-door versions in the 1987 model year instead of three, and the wagon will be available in only one version instead of two.

Chrysler did not announce the Aries and Reliant prices. However, dealers said the tentative 1987 re-

see CHRYSLER, page 7

NEWSPAPER



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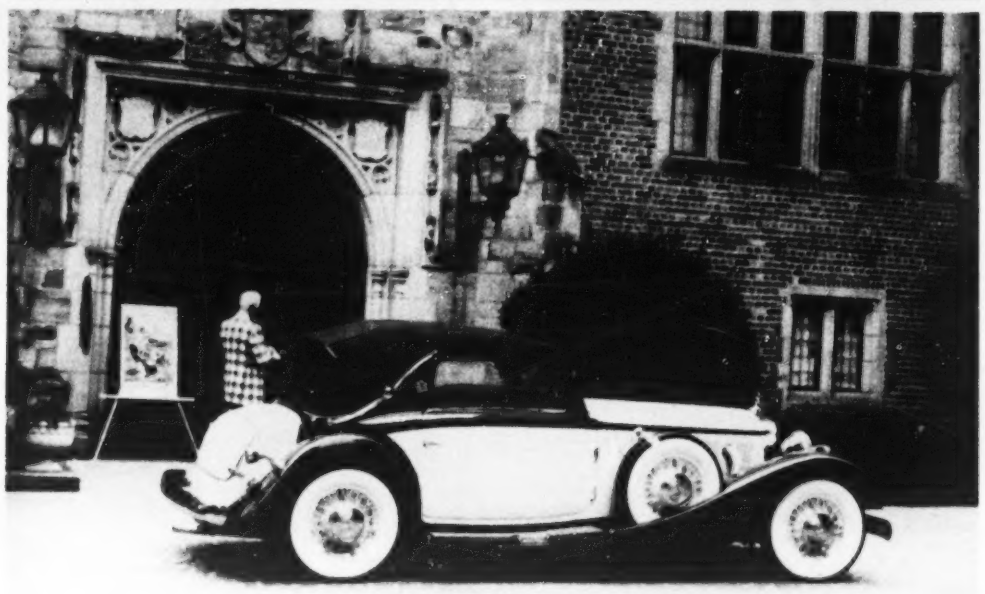


Two-tone 1935 Mercedes-Benz 500K Cabriolet at Meadow Brook Hall entrance

AUTOMOTIVE NEWS:Jenny King

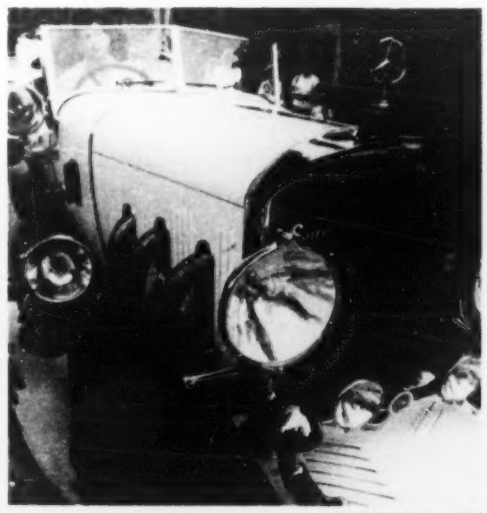
Mercedes featured at Meadow Brook

By Jenny L. King
DETROIT REPORTER

ROCHESTER, Mich. — One of the most elegant of settings was graced with some of the most extravagent cars ever built as the eighth annual Concours d'Elegance.

Meadow Brook Hall, once the private home of Alfred and Matilda Dodge Wilson, was both host and beneficiary of the Concours. The 100-room hall and surrounding 1,400 acres opened Sunday (Aug. 3) for public viewing of the magnificent building and some 200 collector cars from 17 states and Canada.

This year's Concours honored the centennial of Mercedes-Benz' 1886 engine-driven three-wheeler. Keith E.Crain, publisher and editorial director of Automotive News and honorary Concours chairman, said the most spectacular array of Mercedes automobiles ever assembled in North America was on display.



AUTOMOTIVE NEWS:Glenn Triest

Unique supercharged boattail tiger-hunter Mercedes

Auto chiefs pleased by market strength

By Al Fleming
INDUSTRY EDITOR

Presidents of U.S.-based auto companies are pleasantly surprised by the continuing strength of this year's auto market.

And they are now convinced that new car and truck sales in the U.S. will proceed at, or close to, the same robust pace in 1987.

Exclusive interviews of chief operating executives by Automotive News indicates they expect industry sales of 10.3 million to 11.0 million cars and 4.5 million to 4.7 million trucks in calendar 1986.

The most bullish, Ford Motor Co.'s Harold A. Poling, said, "We recently increased our estimate for 1986 calendar year sales from 10.7 million to 11.0 million cars, and from 4.6 to 4.7 million trucks."

Noting a continuing high level of consumer confidence, low rate of inflation and low fuel prices, Poling stressed, "The general buying public seems to be in the mood to purchase vehicles."

While granting there could be a "tapering off" next year, Poling said, "If it were 500,000 units below this year for the industry, I'd still consider '87 a very good year."

F. James McDonald, president of General Motors, sees industry sales of 15.4 million to 15.5 million cars and trucks in 1986. "The markets are still very strong," he said.

McDonald also sees clear sailing ahead. "There are many pluses — low inflation; the dollar's relationship to other currencies; no big jump anticipated in the price of gasoline," he said.

Harold K. Sperlich, president, Chrysler Motors, forecasts 1986 industry sales of 10.6 million cars and 4.5 million trucks.

As for next year, he said, "We're more optimistic now about 1987 than we were six months ago."

Sperlich explained, "We all surprised ourselves that the recovery has lasted as long as it has. With the cost of money down, gas prices down, consumer confidence at near-record highs, credit available, the prospect of a tax bill that may enthuse the masses, plus an awful lot of good product coming to market, we've become more bullish about 1987."

Volkswagen of America looks for industry sales of 10.7 million cars in 1986. However, VWoA projects a slight decline in 1987 to 10.2 million to 10.5 million units.

Calling that "a fairly marginal decrease," VWoA President Noel Phillips questioned whether the economy can sustain its current pace through next year.

"In addition," he said, "you have the fact that a lot of vehicles have gone up in price. That must have some effect on the market."

Tetsuro Chino, president, American Honda Motor Co., noted the "total market is still strong," but said, "I don't see any drastic decline of car sales. Maybe they will reach over 10.3 million for 1986. For 1987, I see it continuing at the same level."

Likewise, Joseph Cappy, president, American Motors, anticipates "a pretty decent '87 for passenger cars, trucks and four-wheel-drive units."

Cappy said, "Industry will be between 10 and 11 million cars, around 3 million light trucks and about 1.5 million 4x4s."

The presidents concur that financing incentives are an irksome aspect of the 1986 market. While they wish incentives would end, most say that will depend on GM.

Said Cappy: "Incentives don't make any sense because none of us is selling any more cars or trucks than we would have sold without them. We're selling the same number and are making less money."

He added: "As soon as the big guy stops, we can stop . . . Everybody's following GM's lead."

Noting that Ford's car inventory has been consistently below the 60-day level this year, Poling said, "We really didn't need incentive programs. But when your major competition initiates these programs, you have to compete."

As a result of incessant incentives, Phillips said, "The competitive pressure has been a lot greater than people expected it to be. It's become a very tough market. I don't know if the incentive route is needed to keep the market going. But it appears necessary . . . for some of the major manufacturers to keep their (sales) volumes up."

Phillips added: "I would suspect there will be a substantial degree of that next year."

And what about GM, target of the incentive ire?

McDonald said, "You always hope you can get out of incentives and back to a normal market. Now, incentives are working."

As for their future, McDonald said, "If interest rates ever got really low, retail-rate support programs would go away. They'll work their way out eventually."

GM offering alternative incentives

DETROIT — General Motors joined its domestic competition last week by offering customer rebates.

Like Ford Motor Co., Chrysler Motors and American Motors, GM is offering the rebates as an alternative to several low-interest-rate loan programs.

Through Aug. 31, customers may take $500 in cash rather than GMAC loans on Chevrolet Celebrity, Pontiac 6000, Oldsmobile Cutlass Ciera and Buick Century models. Current incentives include 5.9 annual percentage rate loans for 30 months, 6.9 APR for 36 months, 8.9 APR for 48 months and 9.9 APR contracts for up to 60 months.

Through Sept. 24, Oldsmobile Firenza, Buick Skyhawk and Cadillac Cimarron have been added to the GMAC program at 6.9 APR on 36-month loans, 8.9 APR on 48-month loans and 9.9 APR on 60-month loans. Those lines were not included in the original mid-summer program announced at the end of June.

That program, offering cut-rate loans on nearly all 1986 passenger cars and many light trucks through Sept. 24, remains the same, GM said.

Cadillac dealers participating in the GMAC financing programs were eligible beginning July 23 for cash incentives of $1,000 and $2,000 on Eldorado and Seville models sold from stock. The program runs through Sept. 24, a Detroit-area dealership spokesman said, with incentive amounts based on numbers of cars sold.

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61st year—No. 5139

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$356 million riding for GM on CAFE decision

WASHINGTON — Some $356 million of General Motors' money is riding on how NHTSA sets 1987 and 1988 model-year fuel-economy standards.

The safety agency's decision, in turn, is riding on whether the level of "maximum feasible average" fuel economy includes multiyear carry-back credits, as GM wants, or whether it is based on a single year, as NHTSA has tentatively decided.

GM is currently the only company facing big-money civil penalties under the 1975 law.

Altogether, GM owes some $446 million because it failed to meet fuel-economy standards in the past. Government estimates of GM liability are some $46 million from non-compliance with the 1984 CAFE and some $400 million from the 1985 CAFE. Offsetting those, however, is about $90 million that GM will earn from exceeding the 26.0 mpg level of the 1986 CAFE.

Under the law, all companies can carry forward or carry back for three years credits earned from exceeding the fuel economy standards.

Of greater importance than GM's millions, however, is NHTSA's desire to bolster its own tentative decision in case GM goes to court.

NHTSA already knows that Chrysler disagrees with GM, but it wants to smoke out other legal positions, especially from Ford, a full-line company that has failed to meet fuel-economy standards in the past and may again in the future.

Right now, Ford appears safe. It still owes about $55 million for noncompliance with the 1985 CAFE, but it expects to earn enough credits from the 1986 CAFE standard (which was lowered to 26.0 mpg) to wipe out its liability. Ford's current estimated CAFEs for 1987 and 1988 models are 27.1 mpg and 26.3 mpg, respectively. NHTSA has proposed setting standards for those two model years somewheee between 26.0 and 27.5 mpg.

It is not only unusual for NHTSA to issue a supplemental notice to any pending rulemaking, but highly unusual to give only a 15-day response period, as it did last week. NHTSA wants to be able to issue its CAFE decision by the start of the model year.

Also unusual is NHTSA's query about the legal effect of issuing a CAFE below 26.0 mpg. This informs the public indirectly that NHTSA is now considering something above 26.0 mpg. Because of the statutory language, NHTSA would not have to raise the issue of multiyear credits if it were thinking of continuing the 26.0 mpg level, just as it did not when it set the 1986 CAFE standard at 26.0 mpg.

In addition, the query tips off the public that GM needs a standard below 26.0 mpg to accumulate enough credits to wipe out its potential fines. (GM's own CAFE estimates, which may need a bit of updating, are 26.3 mpg for 1987 models and 26.9 mpg for 1988 models.)

Subaru distributor expands

ORANGEBURG, N.Y. — Subaru Distributors Corp. has opened its $4.5-million Boston port facility. The company has a long-term land lease with the port authority in Boston.

Thomas O'Hare, president of SDC, said the company, which has been using the Boston port, has now found a permanent home. The firm distributes Subaru cars and parts in New York and northern New Jersey.

O'Hare said his company will lease the 12-acre site and is negotiating for another five acres as well as options on 10 more acres. The lease period is 20 to 30 years, he said.

The processing of the cars will be handled in a joint venture with Automotive Processors Inc., of Boston. SDC will share a 72,000-square-foot building with Subaru of New England.

To officially open the new facility, Subaru Distributors hosted an open house for its 60 dealers.

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- Getting Past The Secretary
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The Three Day Follow-Up Call
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- Whom To Call
- Prospecting The Household
- Getting Referrals
- Close Call For Customer's Benefit

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Getting A System
- The Follow-Up Box
- The Household Prospecting Record
- The Million Dollar Mail Piece
- The Log Sheet
- What To Say When They Call

(TAPE #10)
Getting Started
- Game Plan For Veterans
- Game Plan For Rookies
- Orphan Owners
- Service and Body Shops
- Developing More Appointments

(TAPE #11)
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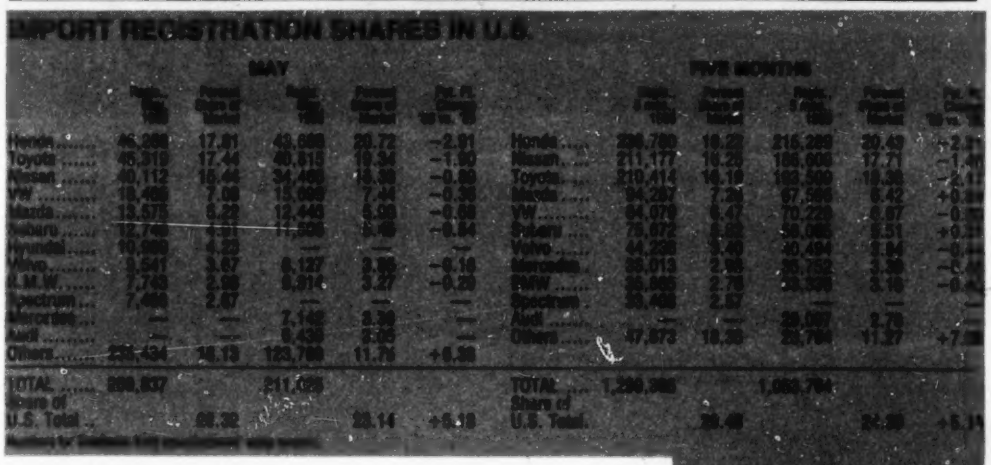

IMPORT REGISTRATION SHARES IN U.S.

MAY

	May 1986	May 1985	Change
Honda	46,388	17.61	43,688	20.72	−2.91
Toyota	45,319	17.44	40,815	19.34	−1.90
Nissan	40,112	15.44	34,468	16.33	−0.89
VW	18,488	7.08	15,089	7.44	−0.36
Mazda	13,575	5.22	12,445	5.90	−0.68
Subaru	7,[illegible]	[illegible]	[illegible]	5.48	−0.84
Hyundai	10,[illegible]	3.93	—	—	—
Volvo	3,541	3.67	8,127	3.85	−0.18
B.M.W.	7,703	2.96	6,311	3.27	−0.23
Spectrum	7,468	2.87	—	—	—
Mercedes	—	—	7,148	3.39	—
Audi	—	—	5,438	2.58	—
Others	22,434	14.13	183,788	11.79	+6.58
TOTAL	259,837		211,025		
Share of U.S. Total		68.32		28.14	+5.18

FIVE MONTHS

	1986	1986 Share	1985	1985 Share	Pts. Change
Honda	226,700	18.22	215,289	20.49	+2.27
Nissan	211,177	16.26	166,600	17.71	−1.45
Toyota	210,414	16.19	193,589	18.36	−2.17
Mazda	64,287	7.26	67,966	6.42	+0.84
VW	64,079	6.47	70,228	6.67	−0.20
Subaru	79,672	6.68	38,066	3.51	+0.31
Volvo	44,256	3.40	40,494	3.84	−0.44
Mercedes	38,013	2.93	35,752	3.39	−0.46
BMW	38,868	2.76	33,336	3.16	−0.40
Spectrum	38,468	2.57	—	—	—
Audi	—	—	29,097	2.76	—
Others	47,573	18.35	23,794	11.27	+7.08
TOTAL	1,299,365		1,053,764		
Share of U.S. Total		28.49		24.30	+5.19

Sales peak for imports

By Jenny L. King
DETROIT REPORTER

May imported-car registrations were up 23.13 percent from the same month a year earlier, climbing to a record total for the month and 28.32 percent of the U.S. market.

Figures compiled by R.L. Polk & Co. showed May import registrations up almost 50,000 units over the year-ago total. Imports gained 5.18 percentage points in the overall market as domestic registrations stayed around their 1985 level.

The May import sum of 259,837 was a record for the month and was 23.13 percent ahead of last year's 211,025.

Total registrations of 917,579 in May were up a scant 0.62 percent from 911,932 for the same month in 1985.

Two relative newcomers moved into the top 10 import list for May, Hyundai in seventh and Chevrolet Spectrum in tenth place. West-German imports Mercedes-Benz and Audi were pushed out of the top 10 by the South Korean and Japanese-built cars.

Ten makes accounted for 81.65 percent of the import total this May, down seven percentage points from 88.73 percent last year.

At the end of five months, Honda remained on top of the import list although it continued to lose ground.

Ten makes claimed 81.87 percent of the market, down from 88.25 percent the preceding year.

January-May import registrations were up 23.31 percent, to 1,299,365 from 1,053,764. They accounted for 29.48 percent of the total five-month U.S. market, an increase of 5.18 percentage points over 24.30 percent in 1985.

The Japanese share of the May market dropped to 65.97 percent from 67.44 percent. West Germany's share dipped to 13.77 percent from 15.34 percent, while U.S. cars were down to 8.78 percent from 9.71 percent. Comparison totals for May were as follows:

	May 1986	May 1985
Japan	171,418	142,310
West Germany	35,779	32,367
United States	22,822	20,487
Sweden	13,513	11,463
South Korea	10,989	—
Britain	1,950	1,495
Yugoslavia	1,507	—
France	1,076	2,210
Italy	783	693
TOTAL	259,837	211,025

Japanese-built cars claimed 68.34 percent of the January-May import market, down from 69.68 percent in 1985. German products had 13.31 percent, down from 14.24 percent, while U.S. imports were up to 9.44 percent from 8.72 percent. The breakout included:

	5 Mos. 1986	5 Mos. 1985
Japan	888,051	734,285
West Germany	173,001	150,087
United States	122,616	91,908
Sweden	62,820	56,120
South Korea	24,904	—
Britain	9,226	7,768
Yugoslavia	9,165	—
France	6,444	10,681
Italy	3,138	2,915
TOTAL	1,299,365	1,053,764

Registrations of imported trucks in May were up 16.65 percent over last year, following year-to-year gains of 9 percent in April and 3 percent in March. The May total reached 83,768 compared with 71,811 a year earlier. Numbers from the major manufacturers included:

	May 1986	May 1985
Toyota	29,558	26,800
Nissan	18,091	19,738
Mazda	13,427	7,611
Isuzu	6,696	6,187
Others	15,996	11,475
TOTAL	83,768	71,811

Year-to-date truck registrations of 404,086 were up 7.28 percent from 376,664 in 1985. The breakout included:

	5 Mos. 1986	5 Mos. 1985
Toyota	153,605	140,240
Nissan	87,463	109,246
Mazda	55,484	41,700
Isuzu	36,156	—
Dodge Ram 50	—	29,971
Others	71,378	55,507
TOTAL	404,086	376,664

MARKET SHARES
5 MONTHS
1986 VS. 1985

	1986 Sales	1986 Share	Pts. Change
Chevrolet	14.89	14.61	−0.28
Ford	12.39	13.50	−1.11
Oldsmobile	8.89	9.06	−0.17
Pontiac	7.31	7.16	+0.15
Buick	8.77	8.89	−1.43
Honda	5.37	4.97	+0.40
Nissan	4.79	4.30	+0.49
Toyota	4.78	4.46	+0.32
Mercury	4.38	5.07	−0.68
Dodge	3.74	4.48	−0.74
Chrysler	3.18	3.37	−0.19
Plymouth	3.07	3.61	−0.54
Cadillac	2.88	2.88	−0.01
Mazda	2.14	1.58	+0.56
VW	1.91	1.62	+0.29
Subaru	1.72	1.34	+0.38
Lincoln	1.42	1.53	−0.11
Volvo	1.00	0.93	+0.07
Mercedes	0.86	0.83	+0.03
BMW	0.81	0.77	+0.04
Spectrum	0.76	—	—
AMC	0.84	1.33	−0.65
Audi	—	0.67	—
Other Imports	5.34	2.85	+2.49
Misc. Dom.	0.00	0.00	−0.00
TOTAL	4,406,725	4,336,057	

Based on new-car registrations from R. L. Polk & Co. Oklahoma from manufacturers' sales records.

TOP CARS

U.S. registrations for five months of 1986. Oklahoma numbers from manufacturers' sales records.

1986 Position		Make	1985 Position
1—	642,715	Chevrolet	642,169 — 1
2—	545,774	Ford	585,474 — 2
3—	431,974	Oldsmobile	431,346 — 3
4—	343,985	Pontiac	310,666 — 5
5—	296,301	Buick	355,436 — 4
6—	236,780	Honda	215,289 — 7
7—	211,177	Nissan	166,609 —10
8—	210,414	Toyota	193,509 — 9
9—	193,507	Mercury	219,554 — 6
10—	164,536	Dodge	194,494 — 8
11—	140,286	Chrysler	145,930 —12
12—	135,268	Plymouth	156,659 —11
13—	118,206	Cadillac	116,494 —13
14—	94,267	Mazda	67,596 —15
15—	84,079	VW	70,228 —14
16—	75,672	Subaru	58,066 —17
17—	62,666	Lincoln	66,392 —16
18—	44,238	Volvo	40,494 —19
19—	38,013	Mercedes	35,752 —20
20—	35,885	BMW	33,336 —21
21—	33,408	Spectrum	— —
22—	30,125	AMC	57,586 —18
—	—	Audi	29,097 —22
	235,434	Other Imports	123,769
	37	Misc. Dom.	91
	4,406,725	TOTAL	4,336,057

Automotive News analysis of new-car registrations based on R. L. Polk & Co. statistical report.
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Auto pioneers' mansions open for tours

By Scott Miner
Detroit Reporter

Mansions once owned by four Detroit auto magnates or their families are now open to the public and visits are combined in a single tour.

The tour, called "Homes of the Auto Barons," includes the multimillion-dollar homes of Ford Motor Co. founder Henry Ford; Edsel Ford; Lawrence P. Fisher, of the Fisher Body family; and Matilda Dodge-Wilson. The Wilson home is called Meadow Brook Hall. Mrs. Wilson was the widow of John F. Dodge.

At the inaugural tour, members of each of the families were present and spoke about their relatives' homes.

The family members included Alfred Brush Ford, great-grandson of Henry Ford; Richard Wilson, son of Matilda Dodge-Wilson; Paul D. Alandt, grandson-in-law of Edsel Ford; and Thomas K. Fisher, nephew of Lawrence P. Fisher.

Also on hand was Elisabeth Reuther Dickmeyer, daughter of Walter Reuther, former UAW president. Alfred Ford and Elisabeth Dickmeyer bought the Fisher mansion in 1975 and donated it to the International Society for Krishna Consciousness, which now owns and operates it as a cultural center.

The Travel & Tourist Association of Southeast Michigan developed the idea and is working with managers from the four mansions. Guided and self-guided tours are available in all the homes.

South Africa rebounds from auto sales slump

By Jeremy Sinek

South African auto sales took a turn for the better in June, leading to renewed optimism that the industry's slump has finally bottomed out.

The total of 15,769 new cars sold was a 14.65-percent improvement on May, and was 13 percent better than the monthly average for the first five months of '86. It was also a slight improvement over sales in May '85.

Truck and bus sales also were up. Sales of light commercial trucks increased 7.7 percent over May; mediums showed a 16.4-percent gain; and heavies were up 13.1 percent.

But these improvements have to be viewed against a backdrop of exceptionally low sales during the first part of 1986. Overall passenger-car sales for the year to date are still down 13.3 percent from the same period last year. And sales of light, medium and heavy commercial trucks are down by 8.8, 7.2 and 32.5 percent respectively.

Automakers attribute the June boost to a combination of new models coming on stream — Ford registered 1,124 sales of its new Laser/Meteor subcompacts, for example, compared with only 199 of the outgoing Escort in May — and to deliveries of government tender vehicles that had been ordered in April.

Still another reason cited is public perception of greater political stability and some return of economic confidence triggered by the South African government's recent stimulatory package.

It was too early for the government's mid-June economic stimulation package to have had much direct influence on that month's sales, but Nico Vermeulen, director of the Association of Automobile Manufacturers, predicted that the government's measures will continue to underpin demand at current levels in coming months.

"New motor car sales are likely to gain further momentum during the second half of 1986 once the new basis of valuation of company-owned motor cars, for purposes of fringe benefit taxation, is officially implemented," he said.

A new and much less-stringent "perks tax" scheme is due to take effect Sept. 1.

Industry sources estimated that new-car sales would average over 15,000 units a month for the rest of the year, but that would still mean a total market of only about 180,000 units, well down on last year's 204,000.

Manufacturers are optimistic about commercial-vehicle sales. In particular, they expect that the R750 million (U.S. equivalent: $300 million) to be pumped into the building industry as part of the government economic stimulation program will inject new life into light-truck sales.

June was a bumper month for Samcor (Ford/Mazda/Mitsubishi), which topped the sales table with 4,009 units. Samcor recorded gains in Ford Sierra, Mazda 323 and 626 sales, as well as the new Laser/Meteors. Its market share for the first six months, however, remained virtually unchanged from the 1985 full-year figure, at 20.5 percent.

Toyota, shoved into an unfamiliar second place, sold 3,867 cars in June, down 1.4 percent from May; light-truck sales were down, too. But year-to-date figures still leave Toyota comfortably in front with a 26.8-percent car market share. For the whole of 1985 its share was 23.9 percent.

VW/Audi also slipped slightly in June with 2,575 cars sold — down 4.7 percent from May — and 6.5 percent fewer trucks and buses sold. But the January-June figures still leave VW/Audi securely in third place with 17.3 percent of the passenger car market, up from 14.4 percent in 1985.

Mercedes-Benz/Honda held on to fourth despite a disappointing June total of only 1,323 cars sold — 15.1 percent fewer than in May. It was the only automaker to sell fewer cars in June than it had averaged over the previous five months, which the company blamed on supply difficulties arising out of labor problems at the East London factory. For the year to date, Mercedes had 9.7 percent of the market compared with 10.7 percent through 1985.

A 16.2-percent boost was sufficient for GM to push Nissan from fifth to sixth place in June. But even though this is the fifth consecutive month that GM has improved its sales since a catastrophic January, it still placed last in the year-to-date table with 7.1 percent of the market. GM's share last year was 9.3 percent.

Nissan sales were up 8.2 percent from May to June, and over the first six months Nissan remained fifth in market share with 8.1 percent. Nissan's share in 1985 was 6.8 percent.

That leaves BMW sixth for the year-to-date total with 7.6 percent of the market, compared to 6.3 percent last year. In June BMW's sales of 1,211 cars was an 18.7-percent gain on May. ■

South African Passenger Car Sales

Company	January-June 1986 Unit Sales	January-June 1986 Market %	Calendar Year 1985 Unit Sales	Calendar Year 1985 Market %
Toyota	22,946	26.8	48,850	23.9
Samcor	17,495	20.5	42,188	20.6
VW/Audi	14,797	17.3	29,341	14.4
Mercedes/Honda	8,302	9.7	21,842	10.7
Nissan	6,934	8.1	13,870	6.8
BMW	6,534	7.6	12,928	6.3
GM	6,106	7.1	18,973	9.3

OVERSEAS PRODUCTION

SPAIN

Cars

	4 mos. 1986	4 mos. 1985
Ford	94,683	87,772
General Motors	102,561	95,732
PSA	61,072	55,139
Citroen	26,008	23,993
Peugeot	35,064	31,146
Renault	82,841	81,656
Seat	113,583	111,032
Total	454,740	431,331
Vans, trucks, buses		
Enasa	3,778	3,024
Ford	4,269	4,054
General Motors	490	0
Land Rover	10,111	6,657
Mercedes-Benz	4,250	3,424
Motor Iberica	12,183	8,693
PSA	30,900	18,445
Citroen	30,846	18,445
Peugeot	54	0
Renault	15,096	9,466
Seat	6,159	8,539
Total	87,236	62,302
Total vehicles	541,976	493,633

UNITED KINGDOM

Cars

	4 mos. 1986	4 mos. 1985
Carbodies	789	660
Ford	101,971	107,967
GM/Vauxhall	57,181	56,737
Jaguar	15,803	13,620
Lotus	229	300
Panther	99	33
Peugeot/Talbot	22,931	23,167
Reliant	84	235
Rover Group	155,456	177,058
Austin Rover	150,257	172,281
Range Rover	5,199	4,777
Rolls-Royce	892	769
TVR	175	134
Others	208	214
Total	355,818	380,894
Vans, trucks, buses		
ERF	677	725
Foden	218	195
Ford	28,297	37,150
GM/Bedford	18,340	20,385
Hestair Dennis	205	283
Metro Cammell Weymann	71	165
Rover Group	27,774	31,131
Austin Rover	7,707	9,133
Freight Rover	6,606	6,892
Land Rover	8,674	10,004
Leyland	4,787	5,102
Reliant	16	33
Renault	1,520	1,859
Seddon Atkinson	511	570
Others	75	79
Total	77,704	92,575
Total vehicles	433,522	473,469

OVERSEAS REGISTRATIONS

UNITED KINGDOM

Cars

	6 mos. 1986	6 mos. 1985
Alfa Romeo	1,082	1,670
BMW	18,504	17,798
Daihatsu	2,695	2,079
Fiat Auto	32,799	29,219
Ford	257,921	246,973
FSO	2,510	3,057
GM/Vauxhall	154,635	163,154
Honda	9,726	8,406
Hyundai	3,241	2,305
Jaguar	3,884	4,161
Lada	9,002	6,625
Lotus	232	304
Mazda	9,220	7,526
Mercedes-Benz	9,943	9,669
Mitsubishi	5,989	6,448
Nissan	50,734	46,368
Panther	17	39
PSA	59,641	53,183
Citroen	16,845	13,519
Peugeot/Talbot	42,796	39,664
Reliant	169	283
Renault	35,172	39,420
Rover Group	159,821	170,262
Austin Rover	157,578	168,617
Range Rover	2,243	1,645
Rolls-Royce	425	366
Saab	5,137	4,281
Seat	2,794	0
Skoda	6,041	4,585
Subaru	1,587	1,423
Suzuki	2,254	2,092
Toyota	17,535	16,433
Volkswagen/Audi	59,673	57,439
Volvo	35,513	31,683
Zastava	4,180	3,967
Others	2,630	2,418
Total	964,706	943,636

SWEDEN

Cars

	6 mos. 1986	6 mos. 1985
Alfa Romeo	636	726
BMW	2,528	2,449
Daihatsu	779	723
Fiat Auto	3,557	3,772
Ford	14,797	17,048
GM/Opel	12,764	16,200
Honda	2,204	2,223
Jaguar	22	17
Lada	864	785
Mazda	6,437	6,129
Mercedes-Benz	4,053	5,359
Mitsubishi	1,097	1,361
Nissan	7,419	4,822
PSA	3,417	4,071
Citroen	1,475	1,796
Peugeot/Talbot	1,942	2,275
Renault	1,786	1,115
Saab	14,618	15,596
Skoda	84	214
Subaru	730	857
Suzuki	480	342
Toyota	7,272	5,774
VW/Audi Group	16,429	18,081
Audi	5,810	6,528
Volkswagen	10,619	11,553
Volvo	31,781	38,682
Others	28	23
Total	134,083	146,616

BRAZIL

Sales (all vehicles)

	6 mos. 1986	6 mos. 1985
Agrale	668	401
Fiat Auto	51,350	35,154
Engesa	182	0
Ford	100,019	67,416
General Motors	110,000	78,012
Gurgel	909	526
Mercedes-Benz	16,758	11,287
Saab-Scania	2,336	1,412
Toyota	1,727	1,037
Volkswagen	174,240	105,523
Volvo	1,335	845
Others	80	148
Total	459,604	301,761

DENMARK

Cars

	5 mos. 1986	5 mos. 1985
Alfa Romeo	264	50
Austin Rover	199	133
BMW	1,722	1,513
Dacia	212	387
Daihatsu	1,884	1,093
Fiat Auto	4,215	3,640
Ford	11,202	11,231
FSO	672	929
GM/Opel	14,824	12,537
Honda	1,518	771
Lada	1,694	1,664
Mazda	8,760	5,931
Mercedes-Benz	613	483
Mitsubishi	2,187	1,203
PSA	6,024	4,097
Citroen	3,928	2,663
Peugeot/Talbot	2,096	1,434
Renault	519	565
Saab	816	783
Seat	521	106
Skoda	1,665	1,961
Subaru	275	26
Suzuki	161	221
Toyota	10,694	8,474
VW/Audi Group	6,555	5,103
Audi	443	363
Volkswagen	6,112	4,740
Volvo	3,188	2,857
Wartburg	368	592
Zastava	771	749
Others	31	15
Total	86,227	70,374

FRANCE

Cars

	4 mos. 1986	4 mos. 1985
Alfa Romeo	5,314	5,506
Aro	84	231
Austin Rover	11,710	7,805
BMW	10,235	8,821
Ferrari	80	49
Fiat Auto	39,201	27,504
Ford	43,852	47,587
FSO	361	593
GM/Opel	31,907	29,281
Honda	3,074	2,055
Innocenti	376	383
Jaguar	145	78
Lada	6,095	6,813
Maserati	25	37
Mazda	5,405	5,030
Mercedes-Benz	7,381	5,962
Mitsubishi	1,319	1,083
Nissan	6,514	4,927
PSA	207,569	211,553
Citroen	73,650	78,794
Peugeot/Talbot	133,919	132,759
Porsche	544	383
Renault	178,942	176,602
Saab	699	474
Seat	7,204	6,201
Skoda	1,041	1,009
Suzuki/Santana	627	18
Toyota	4,947	3,733
VW/Audi Group	38,574	36,568
Audi	8,149	8,764
Volkswagen	30,425	27,804
Volvo	6,148	6,206
Zastava	483	499
Others	11	27
Total	619,407	596,888